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The

Credit World

No man has a moral right
to withhold his support from
an organization that is striv-
ing to improve conditions
within his trade sphere.

Theodore Roosevelt

MAY



1942

ONLY PUBLICATION DEVOTED EXCLUSIVELY TO RETAIL CREDIT

One of the most famous courtyards in New Orleans, is the Maison Seignouret where Francois Seignouret, a wine merchant, designed the antique furniture which has given his name lasting fame. The beautiful iron gate that opens into the patio is typical of the charming features of the court.



New Orleans INVITES YOU

Fabulous New Orleans . . . the city of fantastic legends . . . of unreal realities . . . New Orleans, the colorful, the gay, the romantic city of old-world charm nestled deep in the Old South . . . the South that has grown old and wise in the art of hospitality—the art of entertaining guests graciously, considerate of your comfort, of your most fastidious demands.

The Retail Credit Association of New Orleans and the New Orleans Retailers' Credit Bureau cordially invite you to the 30th Annual Conference and Credit Sales Forum of the National Retail Credit Association to be held in New Orleans at the Roosevelt Hotel, June 15-18, 1942.

NATIONAL RETAIL CREDIT ASSOCIATION



You are cordially invited
to attend
the
30th ANNUAL CONFERENCE
and
CREDIT SALES FORUM
of the
NATIONAL RETAIL CREDIT ASSOCIATION
ASSOCIATED CREDIT BUREAUS OF AMERICA
CREDIT WOMEN'S BREAKFAST CLUBS OF NORTH AMERICA
ROOSEVELT HOTEL
NEW ORLEANS, LA.
JUNE 15th TO 18th
1 • 9 • 4 • 2



25 YEARS
AGO
in the

CREDIT WORLD

We find the May, 1917, CREDIT WORLD was dedicated to Minneapolis, home of our first President, S. L. Gilfillan (now deceased). Ironically enough, the front cover carries the war theme, "A Liberty Bond in Every Home"—just as this issue reminds us to "Buy Defense Bonds and Stamps." History, indeed, repeats itself. Only the words are different—the principle is just the same.

H. Victor Wright of Los Angeles (also deceased) was then President of our Association, C. F. Jackson, Famous-Barr, St. Louis, was Vice-President, A. J. Kruse, Credit Bureau of St. Louis, Secretary, and C. E. Corey, Corey-McKenzie Printing Co., Omaha, was Treasurer.

An article by E. P. Coveny, Credit Manager, Minneapolis Dry Goods Co., was devoted to the subject, "Are Conventions Worth While?" Other pages also carried announcements of the 5th annual Convention which was held at The Statler Hotel, Cleveland, August 21-24, 1917.

"The Functions of the Pulpit and the Credit Office are Interlocking," an address by the rector of a Minneapolis church delivered at a meeting of the Retail Credit Association of Minneapolis, carried this interesting thought: "My business is to guarantee your business to make everyone in my parish decent, wholesome and self-respecting. Character and not competition is the basis of trade, and if I can't hold my job down, you can't keep yours. They are interlocking."

Other articles included: "How We Put Over Our Membership Campaign," by C. J. Allen, of the Young-Quinlan Co., Minneapolis; "Personal Efficiency," by M. M. Newcomb, Business Men's Efficiency Bureau, Minneapolis; "Elimination of Discounts," by H. C. Heath, Minneapolis Dry Goods Co.; "Is Credit Too Cheap?" by George E. DeForest, W. K. Morrison & Co., Minneapolis; and "Loyalty to the Organization—Its Vital Force," by D. E. Moeser, Conrad & Co., Boston.

This issue of The CREDIT WORLD would not have been complete without an article by our first President, S. L. Gilfillan. His subject was, "Mechanical Devices Insure Increased Efficiency." In addition, Milton J. Solon, a long active member of the local and National Associations, prepared an article on, "Minneapolis' Publicity for Prompt Payment of Bills."

The last ten pages carried a membership roster. Interesting, because today we would not attempt to print such a list with our membership of 17,000, due to the number of changes each year.

On the back cover was an item reprinted from newspapers, the title of which was "Keep Business Going—For Our Country's Sake." Still holds good today, too, doesn't it?

A. H. H.

CREDIT WORLD 2 MAY

The CREDIT WORLD

L. S. CROWDER
EDITOR



ARTHUR H. HERT
ASSOCIATE EDITOR

VOL. 30



NO. 8

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YOU MEAN JUST ME FOR ALL THOSE BILLS?

Yep—and we don't mean you're going to keep your pretty little nose to the grindstone. Take that girl with the M. L. Parker Company, out in Davenport. She handles all the Accounts Receivable bills on a DESCRIPTIVE

CYCLE basis. In addition, as a by-product of the billing, this same girl, with the same Remington 285D machine, posts the CUSTOMER HISTORY RECORD'S TRANSCRIPT LEDGER CARD in a single operation.

You see, the new fire protected UNIFIED CREDIT RECORD holds all posting media until the Cycle Billing date comes around—and the posting for the previous 30 days is done at this one time. All CREDIT GRANTING and COLLECTION ANALYZING is performed from the self same record.

It's no problem, here, to know the Age of the Oldest Balance, the Amount of the Last Bill, Cash Received since the last bill was rendered, the Amount of Credit Granted this month to date, previous H. C. granted and H. L. pays. All this information is shown in the one record!

Now, if you'd like to get the full facts about this system, presented in clear, concise terms, drop us a card for a copy of our "Management Controller" No. 622. We'll send it to you immediately. No obligation, of course.



The modern M. L. Parker store, in Davenport, Iowa, strikes a new note in eye-appeal and internal operating systems with Descriptive Cycle Billing.



• The equipment used to accomplish this result will be demonstrated at the NRCA Convention in New Orleans this June. See it.

The Unified Credit Record replaces separate Application for Credit Files, Primary Credit Authorization Index, Accounts Receivable Ledgers, and Collection Record.

REMINGTON RAND INC. RETAIL STORE DEPT.
BUFFALO, NEW YORK

Ingredients That Build Personality

Joseph M. Tewinkle

Director of the Department of Audio-Visual Education
Spokane Public Schools, Spokane, Washington



PERSONALITY is the total of human attitudes, tendencies, habits, and physical qualities which determine one's social effectiveness. Personality is the social side of self. Character is less broad and refers to behavior as related to laws, social conventions, and morals. Character is behavior which conforms to convention, ethical and moral standards.

Why do you want personality; why do you want power? To exploit others? To bring service? To bring happiness? You can't cheat on personality; the underlying motive will always show through. In a word, you can cheat anyone else in the world, but you can't cheat yourself! In the end, life catches up with us. Time is a great leveler. No one has ever been able to find an error in the reasoning in Emerson's Essay on Compensation.

The starting point in a program of personality is self-analysis. The most profound philosophy ever developed is wrapped in the words, "Man, know thyself." What are your points of strength? Forget them. What are your points of weakness? What are you willing to pay to do something about them? Will you appear in an unfavorable light before your friends and associates to change them? Will you back-track on things you habitually do? Will you apologize? Will you admit your shortcomings to those you have been trying to conceal them from? Will you lose face now in order to win strength of character, strength of mind, strength of personality—later?

Dale Carnegie grabbed the business world by the ears with his book, *How to Win Friends and Influence People*, but there isn't an idea between its cover that wasn't nearly 2,000 years old the day he wrote it. Carnegie at his best—and his book is still a "must" in applied psychology—only took the outward manifestations of two vital forces, stripped them of spiritual values or mystical implications, and said, "If you do this, the world will be yours." But the two forces are still at the heart of perfect relations between man and man—true Democracy and real Christianity.

True Democracy implies that the man who professes a faith in it seeks always to preserve the proper balance between freedom and equality. True Christianity implies willingness to do to others as you would be done by.

Personality is not an accidental gift, but an achievement. It is the result of behavior habits which can be acquired only by practice. Whatever one's heredity, the person who practices under all circumstances desirable behavior habits will have a better personality than one who does not.

Personality, far from being intangible, consists of definite habits and skills. These habits and skills can be acquired in the same way that people acquire the habits of writing and reading, that is, by practice and training.

Character and personality cannot be developed and crime prevented through books, talks, classroom studies; in short, through academic procedures. There is little or no relationship between personality and academic education. The academically well educated are as likely to be socially maladjusted as are the less educated. The strong personality finds crime unnecessary because he has learned to live and work within the social order.

How We Get Personalities

Doing well in scholastic studies has little or no bearing on personality. The liking or dislike for certain studies, however, is very significant. The young people who like most of their studies, whether their marks are good or poor, tend to have better personalities, while those who dislike their studies more frequently rate low in personality.

We are not born honest or dishonest by nature. Just as the child is born without the multiplication table in his mind, so he is born without habits of emotional response. He gets them through example, authority, discipline, and a well-balanced set of habits. So he sets up what is desirable and undesirable.

And now, look sharp! Where do we get our personalities? Heredity and environment are of great importance in our development as individuals, but no trait is exclusively inherited. Inheritance and environment become amalgamated and each loses its identity. Interacting with heritage and environment is a third factor called "response." These three constitute the triangle of life. The individual becomes what he is by virtue of

what he previously was in a certain environment and what he habitually did about it. How do we learn? How do we establish responses? All learning comes in response to urges or purposes, desires or wishes. We learn by doing! The great principle of all learning is that an individual tends to repeat those acts which are associated with pleasantness and to avoid those acts which are associated with unpleasantness. Your every act of behavior is a reflection of your striving for various forms of satisfaction. Each one of you is in dynamic relation to your environment, dependent upon it for the satisfactions which you demand for self-respect. Your wants and needs give direction of your actions and explain why you do what you do.

The basic goal of a happy life is adjustment to environment. We find ourselves unwilling citizens in a world, and life becomes a problem of adjustment to environment—reconciliation, if you prefer. This adjustment comes from three sources—knowing, feeling, and doing. How well we are actually adjusted is measured by our doings, our actions, our behavior. But the doing will not be of the right kind unless it is done in the clear light of such knowledge or intelligence as can be brought to bear on the problem, and unless the doing is caused by the right kind of feeling, attitudes, and ideals.

As a man thinketh, so is he. We are born. We face environment. We react to situations. How can the right and proper reactions—i.e., personality—be established? I'll tell you!

When a person has acted tolerantly or honestly in hundreds of concrete cases, he normally begins to generalize his experience and to organize his behavior around "ideals." And as these principles become crystallized into dispositions to act in consistent ways, they in turn become influences for determining the direction of subsequent behavior.

An individual becomes honest or tolerant by multiplying into the thousands specific acts in which honesty and tolerance are made natural and satisfying. He does not acquire such traits through wishing for them, through hearing stories exemplifying them, or through repeating rules concerning them.

Doing the right thing begins to give him satisfaction. Everyone has a craving to be recognized as worthy, to be respected and admired, and perhaps most of all to be regarded as successful. Everyone resents being disparaged and shunned. That people do strive endlessly to gain approval and satisfaction is abundantly proved by the world of fashion, manners, and education.

Let's keep this simple. We want to alter an employee. Then let's be sure the new reaction we want to bring about results in satisfaction. Among eight basic things that are naturally pleasant: praise, af-

fection, the new (thrills, adventure) and simple attention. Conversely the following are naturally unpleasant: shrill sounds, abuse, hate, routine.

Let's summarize. Four steps are essential in building up the ideals which will promote proper responses:

1. Establishing the difference between desirable and undesirable.
2. Choosing the right way of his own free will instead of from coercion.
3. Choosing the right way ONCE isn't enough. He must solidify the right habit so that he can be depended upon in all times and in all places.
4. When he makes his choice, he must think of other people rather than only what he wants himself.

But personality comes from habits. What habits go into it? Personality traits may be divided into four major groups: (1) habits of self-management and self-sufficiency; (2) habits of group participation (Carnegie's getting along with others); (3) habits of economic adequacy; and (4) habits of adjustment to the opposite sex.

To establish this goal we must set up these habits: (1) persisting in games and sports even though awkward; (2) doing the less pleasant task first; (3) not using the words "I can't do this," or "I am no good at this"; (4) the habit of controlling outbursts of temper; (5) finishing a task once started; (6) refusing to be discouraged; (7) not brooding over mistakes and hard luck; and (8) having some definite plan for life.

A person with these habits sets for himself standards and goals and foregoes pleasure and convenience. He is the exact opposite of the person who does only what he likes to do, when and as he likes; who avoids embarrassing or painful situations; who, instead of developing the habits which lead to superiority, develops those which lead to certain inferiority. He exemplifies self-determination as contrasted with self-gratification, self-discipline as contrasted with self-indulgence. He's building personality. Such habits transform the character of an individual from that of a sponge to that of a giver, from being only a consumer to being also a producer.

The best way of being certain that you are normal and valued by others is to note how well you meet situations. Life confronts us steadily with new challenges. Vigorous, aggressive attack on new situations can emerge only from a feeling of possessing the capacity to deal successfully with them. You—and your employees—need to feel adequate to meet the situations you are called upon to face. You need to maintain a reasonable balance between success and failure. Too much success or too much failure may warp a person's judgment of his proper role in life.

Self-sufficiency leaves no room for an inferiority com-

From a Member in the Service

Dear Mr. Crowder:

You have been kind enough to mail me THE CREDIT WORLD each month since I went into the Army. Now I am leaving San Francisco for 'over there.' I would appreciate it if you would continue to send it to me at the following address so that I may keep in touch with my profession when time and war permits:

Staff Sgt. Fred G. Cimmerman, Jr.
A.S.N. 38028481—Finance
A.P.O. 1119—c/o Postmaster
San Francisco, California
(Shipment No. 4601)

If you credit granters will keep up the good work here and keep our country the way we like it, we shall take care of things over there.

Thank you for everything and I hope to see you in San Antonio again when this little scrap is over.

Sincerely yours,

FRED G. CIMMERMAN, JR.
(Formerly Credit Manager, The Vogue, San Antonio, Texas.)

* * *

NOTE: If you are drafted or join the armed forces of our country and are interested in receiving THE CREDIT WORLD regularly, write to us giving forwarding address and we will be glad to mail a copy each month, complimentary. Likewise, if you know of others in the service who would be interested, tell them about this so they, too, can keep in touch with the activities of their chosen profession.

plex, but an inferiority complex may be a good thing. Why? Because the person who feels inferior can develop abilities which in time will make him truly superior. All genuine superiority grows out of an initial consciousness of inferiority. The person who admits his inferiority and then does something about it, develops superiority.

We all want to feel adequate. How can we do it? It can't be done by deep breathing or buying a book. Thousands of people each year are suckers for the "systems" that guarantee to teach good English in six months, or six weeks. And the tragedy is that they can teach good English in that time; but buying the book doesn't bring the change. Poor, misguided humans spend their money, spend 15 minutes the first night, five the second, skip the third, and then rationalize by the self-delusion that mere possession of the book has brought about the desired change. There is just one way to learn—by doing. We don't learn by talking or reading or listening—we learn by doing.

Background and Personality

Self-respect is a basic key to personality. And back of it is the sense of an adequate background. If we have background, we can express ourselves more completely, more efficiently, more valuably. Something of our own personal cultivation goes out from us to the people we meet. They find our ideas and our conversation colorful. Just as a prism takes on color from its many facets, so our personality gains through the many sides which the development of fresh interests has given. Background can be acquired. It is acquired, slowly, through the experiences of life. It is acquired through education. But for adults the two chief ways for acquiring background are by self-education and by association. We gain good taste in any field by deliberate association with the best in that field.

There is no age limit to background building. Neither age nor the lack of it can set a limit on achievement if the will and desire to learn are present; neither age nor the lack of it need hinder our power of absorbing and making use of new ideas and new information. Education is a process that need never stop.

Knowing how to speak correctly is the first test of the educated person. Without this ability, we feel hampered, diffident, and uncouth. The secret of speech improvement is conscious effort. To learn correct pronunciation we must consciously associate with correct pronunciation. The important thing for the average man anywhere is to speak as well as he can the best language he and his hearers know.

The radio can be of great assistance to this. Consult your radio programs for those occasions when outstanding men and women of accepted cultivation are announced to speak. Tune in and listen with your notebook in hand. When the speaker uses a word with a pronunciation that differs from your own, jot it down and indicate the pronunciation as you heard it. At the end of the talk, check up on both yourself and the speaker by consulting the dictionary.

The acquiring of a good vocabulary ranks as a prime necessity. Words constitute the medium through which we express our thoughts; words are the medium by which others—writers, speakers, thinkers of past and present—transmit their thoughts to us. As the chief aid in increasing our vocabulary, we must first form the diction-

ary habit. To achieve the great asset of a correct and varied vocabulary requires determined effort.

Everyone should be a constant reader. The true aim of reading, the only creative aim, is to increase the range and depth of one's imagination and one's human sympathy. The power and glory of literature is that it enlarges and enriches life.

When we read without planning we can get real benefit, but nothing like the benefit that reading with a definite plan will give us. Reading with a plan means that we link books. It is a sound rule to read one old book which has survived the years for each new one just off the press. Among the most popular means of education available to everyone are the newspaper, the magazine, and the radio. Much background material may be found in newspapers if the reader uses discrimination.

Conversation may be defined as an oral give and take between two minds, or among several minds. The first thing to realize is that the greatest conversational asset we have is our naturalness. Naturalness and ease always make a tremendous impression. And that's point one—to build a good personality we must build habits of self-management and of self-sufficiency.

Here's point two: we must build habits of group participation. Group participation to develop personality? Certainly, for it means learning to adjust to other people. All kinds of group activities in which people work or play together are conducive to the development of personality. The conversation which grows naturally out of such activities is far more effective than is the power of speaking developed for its own sake.

Normal, wholesome personality development requires that you expand your activities into successively wider social groups all your life. Your place in these groups must be of the sort which will give you the feeling of "belonging" in them. You must feel that you are important in them, that you are well thought of, that you are valued. The achievement of personality requires that your scope be steadily widened from family to leisure groups, to discussion classes, to clubs, and so on. Without this sense of increasing belonging, your valuation of yourself suffers. Resulting attempts to relieve this tension may lead to all sorts of antisocial, unnatural behavior.

Living Up to the Rules

That's why it's good to live up to the rules and disciplines of a game or of a place of business. You accept these rules as they are, not as you think they should be. Having accepted them, you confine your energies and thinking to acquiring skills within these limits for cooperation. Instead of spending time in talking and argument, you spend it in action.

Above all, by submitting himself to the rules of the game, any player or worker emerges as a more competent and independent individual. By subordinating himself, he has achieved personal superiority. He has learned the greatest of all principles of personality, that the individual in order to find himself must first lose himself in the codes of the game and the interests of the larger group. He must put sportsmanship above personal triumph.

The principles exemplified by competitive sports are the principles that apply to the development of personality and leadership in any field. The musician must sub-

ordinate his energies to the practice of scales and exercises, which are the techniques of the game developed by the great masters. Every science has its laws which all scientists must accept and master in order to achieve competence.

There can be no short cuts to personality, either in competitive sports or in other games of life. The person who tries to change the rules to suit himself only injures his own personality because personality is the result of faith rather than of reason, of action more than thought, of observing the laws rather than of making new laws.

The third kind of habits you need are concerned with your job. A person cannot be adjusted even reasonably well unless he believes in himself, unless he feels that he is attaining a worthy and effective place in his business or profession. Inability to meet situations efficiently constitutes a frustration of one's desires for himself. On the other hand, success gives rise to pleasant feelings, and the realization of increased command over the affairs of life.

Personalities are hungry for certain experiences and have no appetite for other experiences. When the individual needs to establish his belonging in a certain group, needs to achieve enough success to bolster up a failure, or is trying to organize his experience into a unit of meaning, he will pay attention to only those situations which appear related to one of several of these needs. He will ignore or do in a perfunctory manner anything else required of him.

To Solve Your Problem is Up to You

When an employee has failed to meet a situation properly, something like the following might well be said to him: "The one important question now is: What are you going to do? The only person in the world who can solve this problem is you. We may help you to map out a plan of action, but only you can carry this plan into effect. Only you can assume the responsibility for its success. The time for talk has ended. From now on the emphasis must be on action, struggle, painful practice, discipline, patient and persistent effort."

Merely knowing a thing is not enough. You must have a feeling about it that is strong enough to lead you to act. No amount of talking or mere arguing is going to have much effect. The way you feel about a thing determines what you are going to do about it. You may be told again and again that it is your duty to do this or that, but being told that it is your duty isn't enough to make you do it. You will do only those things that bring some kind of satisfaction.

But you say it must depend on will power! Will power is not a mysterious thing that we have when we are born but is built up by making right choices again and again until habits of such choices become part of our nature.

The young employee to worry about is the one who always thinks he is smart, who knows better than the experienced staff members, and who sees no reason for painful practice, slow climbing, or humble effort.

People who habitually attribute failures to bad luck inevitably arrive at poorer personalities than those who blame themselves. The former view themselves as victims of overwhelming fates or as "crossed" by the stars, while the latter believe they can do something to improve


their success. Anyone who uses the phrases "I can't do this" or "I can't help it" is in a dangerous mental state.

The difference between success and failure is largely a matter of a philosophy of life. The philosophy of failure and of being prepared to fail makes failure inevitable even with the most richly endowed person. A philosophy of success can do miracles for one poorly endowed.


Above all, watch for these danger signs you will find in the business world all around you. They are the ones to avoid.

1. *Retreat from reality.* You have met this person. He will blame others for his own mistakes, attribute his failure to lack of money, lack of appreciation on the part of his employers. He builds a wall against all new ideas, in adherence to old prejudices.
2. Then there is the *confirmed worrier or fuss-budget.* He requires no situation that calls for real concern; he worries over the most commonplace and harmless details of daily routine. Mole hills in fact become mountains of anticipated disaster in his active but distorted imagination.
3. *Isolationism* is another expression of mental ill health and unhappiness, taking the form of retreat from social activities, unsocial attitudes, self-centeredness, self-consciousness, and complete loss of objectivity. Persons so affected, too, are often quick to interpret the actions of other people as deliberate personal insults. If you want a satisfying personality, you must realize early that it is dangerous to be in the community and not of it.
4. *Feelings of inferiority and inadequacy.* You won't be long in your place of business before you will run into this one. It usually takes the form of melancholia or jealousy, although it may just as well break forth in sarcasm or bullying attitude. Businessmen troubled with this mental illness emphasize the trivial, see in the trivial the symbol of their own importance. In time they find it impossible to distinguish what is really important and what is trivial. They lose perspective and all sense of value.
5. *Calamity howlers.* The woods are full of these people, too. They are chronically dissatisfied. It seems they are interested in calamities, illnesses, moodiness and despondencies. They are never quite so happy as when they are thoroughly unhappy.
6. *An aging mind or mental stagnation.* This one can apply to you just as well at 25 as at 65. Some people are alert, eager at 80, while others have withdrawn into their shells at 25—living symbols of the great American tragedy—died at 30, buried at 60. They have become smugly satisfied with themselves. They are sure that their own way is the only way. They don't care about other people's opinions. "They know." They have lost all interest in the affairs of their people and affairs of national and international importance. They are afraid of new things and—listen to this closely—they all insist that the world is going to the dogs!


Emblem



1 inch
"Reverse"
75c



3/4 inch
"Reverse"
50c



3/4 inch
"Open"
50c

Order from

NATIONAL RETAIL CREDIT ASSOCIATION

Shell Building St. Louis, Missouri

Effect of Regulation W

On Dairy Credits

M. M. Douglas

Maplehurst Farms Inc., Indianapolis, Indiana

IN A NATION at war, all of our resources, material and mental, must, of course, be directed to a successful and early conclusion of that war.

Especially is this true of our mental efforts. If ever there was a time for calm, orderly, logical reasoning, it is now. We must recognize the existence of and activity of certain forces which, under the guise of patriotism, are trying to reconstruct our national economy to fit their version of an economic utopia. We must not lose sight of the fact that even though we are at war there are still pressure groups of various sorts who have axes to grind. Under cover of the confused thinking and hysteria prevailing in times like these, they will try, by vigorously waving the flag, to put over a few fast ones. And some of these individuals are in positions of great authority.

I believe that I have as much regard for our country and all that it stands for as any man living today. But true patriotism does not mean that we must surrender our right to think for ourselves; nor does it mean that we should not voice honest doubt or criticism of the policies and acts of those in authority. Among the "four freedoms" for which we are so earnestly striving, freedom of conscience and freedom of speech are still included. Keep this in mind as it has significant relation to what will follow.

Last year at the Fifth District Conference at Louisville, the prediction was made by Dr. Albert Haring of Indiana University, and also Dr. Emil Leffler of Albion College, that federal regulation of retail credit was in the offing. At that time it was merely a small cloud on the far horizon. There was some talk in Washington to the effect that it might some day be necessary for the Federal government to regulate retail credit as related to certain lines of consumer durable goods. We were advised that by a program of voluntary restrictions, a general tightening of credit policies and by the establishment of Community Credit Policies, such impending regulation might be avoided.

It may be that, had these recommendations been generally followed, Federal regulation could have been postponed. However, there is ample reason to suspect that at the time of that conference, the Administration was definitely committed to such a course. In any event we were confronted with the accomplished fact August 21 in the form of Regulation W, which regulation became effective September 1.

Regulation W imposes certain restrictions, not too severe, upon the sale of consumer durable goods on credit. In the main these restrictions merely put such sales upon

a sound economic basis. However, even though such restrictions and such regulation may be economically justifiable, the method by which they were invoked establishes a precedent which is, to put it mildly, alarming.

With Congress in continuous session, why was it necessary for such an important step to be taken by Presidential Decree? And since the regulation provides penal provision for violations, why the licensing feature? And why was the Dairy Industry not represented at the conferences held in Washington between the retailers and the Board? It is true that we do not come directly within the scope of the regulation. It is also true that we are more profoundly affected by it than those who do.

Rush to Buy Durable Goods

In the period between the announcement of the regulation and the date it became effective, there was a rush on the part of consumers to purchase durable goods, such as autos, refrigerators, radios, etc., while they could still get unusually liberal terms. (Remember these people are also *your* customers.) Many stores put on special pre-September sales campaigns to secure a greater volume of this business. (A significant portion of this business came from nondefense workers, who as a group are more price and term conscious—your defense worker is inclined to be more or less indifferent to costs and terms.)

At that time, since the wage level was high and living costs had not reached the present stage, many of those people assumed obligations that put a mortgage on their earnings of from one to three years.

In the meantime we were forcibly shaken out of our general sense of complacency by the attack on Pearl Harbor and our official entry into the war. Business as usual was no more. Then we found out we must drastically curtail many of the services to our customers, such as they and we have taken for granted. I refer to special deliveries, early delivery, second trips to collect, etc.

Today, the retail delivery of milk can continue only for as long as the rubber on which it is rolling will last. There is no reasonable expectation of any relief in this respect for at least two years, and in all probability five or six would be nearer the mark. Generally, most of us can survive that period as things are now, but, at the risk of being renamed Jeremiah, I am going a bit further. Quoting from an AP release from Washington under date of Jan. 27:

War Production Board today gave Price Administrator Leon Henderson full authority over the sale of retail commodities.

Henderson was appointed in a directive issued by Chairman Donald M. Nelson of the WPB and approved

by President Roosevelt. An accompanying statement told consumers bluntly that so far as the civilian population is concerned in its ordinary purchases for personal requirements, the order announced today gives full control to the OPA. The order gave Henderson rationing power over:

1. The sale of products by any person who sells at retail.
2. The sale of products by any person to an ultimate consumer acquiring the products for the satisfaction of personal needs, as distinct from business or industrial needs.

That is a tremendous amount of power to put in any man's hands, be it used ever so wisely. Particularly is this so since the holder of that power has absolutely no responsibility to those over whom this power is exercised or to any electorate.

This appointment can mean only one thing—further and more severe regulations. If at this time every-other-day delivery has not been instituted, you may rest assured it will come within the next thirty days. And that, in all likelihood, is only a starter.

There is in this country a vociferous group who feel that it is an enormous waste and needless duplication of effort to have more than one delivery vehicle, on any one street, at any one time.

These people, in the main, are sincere and well meaning, but they fail to take into account the fact that this same duplication of effort-free competition in other words—has enabled this nation to have the highest quality of dairy products in the world, from the standpoint of sanitation, food value and service, at the most reasonable price.

Unfortunately, they have access to and receive the attention of, some very influential parties, of whose intentions I have my doubts. Therefore, we must consider the possibility of still further and more stringent regulations.

It may be that these things are essential to a successful prosecution of the war. If so, no one should object to them. However our Canadian neighbors, who certainly are as much in the war as we, have not found it necessary to go so far. Furthermore, I cannot help but believe that most, if not all, of these ends could have been achieved by voluntary cooperation. Surely those of us in the retail field have as much at stake as any other group. If the war is lost, we are all lost together.

As to the effect of these restrictions and regulations on the credit situation, the results are these:

1. Under every-other-day delivery the drivers' opportunity to collect is cut in half.
2. Increased loads due to consolidation of routes, where that has been done, limit the amount of time available for collection.
3. The urgent necessity for conserving rubber prevents the possibility of extra trips to collect.
4. Previously contracted obligations, increasing cost of living, increasing taxes and the necessary purchase of defense bonds and stamps, mean that the customer, defense worker or otherwise, has a much harder time to make the budget balance.

The competition for his dollar is greater than ever before and our chances of getting our share of it are greatly reduced.

In this connection, I might mention the fact that durable goods and some of the soft goods have a salvage value or are capable of repossession and resale which affords considerable protection to the vendors of such merchandise. Under Regulation W, the size of down payments and subsequent payments has been greatly increased and the period of time for such contracts to run

has been reduced, all of which provides still further protection in the sale of these items. But what has been done for the milkman?

What can we do to overcome these various factors which so vitally affect us?

1. We can keep our heads. This is no time to become panic stricken or hysterical. Common sense and straight thinking will accomplish many things.
2. We can establish community credit policies and cooperate. There is no competition in credit so there is no reason why we cannot get together in our individual communities and really work for the common good. Carried a step farther, we can work with our fellow dairy men in other cities.
3. We can tighten up our individual policies and keep our accounts as near current as possible.
4. Through our national, state and local trade associations, we can make a determined effort to secure representation at any conference or hearing held by the WPB affecting us, directly or indirectly.
5. As one of the prime factors in the promotion of national health and economy, we can ask for serious consideration of our representations to the Board.

In conclusion let me again say that while this lacks much of adequately covering the subject, it does represent the sincere ideas of one who is as anxious to win this war as the next man, but who is extremely reluctant to part with any of those fundamental rights for which every war in which this nation has ever engaged has been fought. And if while those boys on the Bataan Peninsula are giving their lifeblood in this struggle against the forces of tyranny and oppression, we here at home supinely allow our precious inheritance to be stolen from us by fanatics who assume the direction of our destiny without the authorization of a free election, their sacrifice will have been in vain.

Merchandise Credit Coupon Books

FOR

Safe Expansion

OF YOUR

BUDGET ACCOUNTS

WRITE US FOR THE
FULL STORY

Southern Coupon Co.

P. O. Box 1472 — BIRMINGHAM, ALA.

For 30 years "The House of Service"



L. S. GILBERT
President and Manager of the Credit Service Exchange, Atlanta, for over 20 years . . . member of the Board of Directors of the Associated Credit Bureaus of America since 1937 . . . now President of that organization.



MRS. FAY H. ARMOLD
Vice-President, Arnold Institute, Los Angeles . . . an authority on retail selling . . . with her husband, Perry B. Arnold, she has conducted many successful business institutes throughout the U. S. under the auspices of retail credit associations . . . author of "A Woman's Approach to Business," etc.



WALDO J. MARRA
Assistant Educational Director, Bank of America, San Francisco . . . author of the N.R.C.A. educational course textbook *Streamlined Letters* . . . has taught business letter-writing and English in the Extension Division of the University of California . . . an outstanding speaker at the San Francisco Convention.

The PROGRAM

30TH ANNUAL CONFERENCE

NATIONAL RETAIL

The Theme . . . **WARTIME CREDIT PROBLEMS • Place, NEW ORLEANS,**

Monday Afternoon, June 15

- 2:00—**ASSEMBLY**—Ballroom, Hotel Roosevelt.
MUSIC—Wm. F. DeVere, The Cheyenne Credit Bureau, Cheyenne, Wyo.
- 2:30—**CALL TO ORDER**—David D. Bolen, Younker Brothers, Des Moines, Iowa; President, National Retail Credit Association.
- INVOCATION**—Rev. Louis J. Mulry, S. J., Pastor, Church of the Immaculate Conception, New Orleans.
- IN MEMORIAM.**
- WELCOME TO NEW ORLEANS AND LOUISIANA**—Honorable Sam H. Jones, Governor of Louisiana, Baton Rouge, La.
- RESPONSE**—Wells J. Huntley, Retail Service Bureau, Seattle, Wash.
- M. A. Mahony, Independent Coal Co., Ltd., Ottawa, Ont., Canada.
- 3:00—**APPOINTMENT OF COMMITTEES.**
- 3:15—*"America's Tomorrow."*
C. C. Sheppard, President, Louisiana Central Lumber, Clarks, La.; Past Director, National Association of Manufacturers.
- 3:45—*"Financing American Industry in War and in Peace."*
John S. Fleek, Partner, Hayden, Miller & Company, Cleveland, Ohio; President, Investment Bankers Association.
- 4:15—*"Present Impotence and Potential Power of Small Business in National Affairs."*
A. G. T. Moore, Manager, Conservation and

Traffic Departments, Southern Pine Association, New Orleans, La.

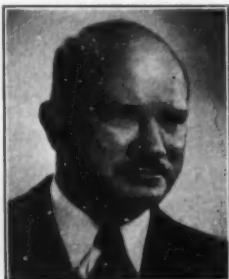
- 4:45—**INTRODUCTION OF CONVENTION COMMITTEE.**
INTRODUCTION OF MEMBERS FROM CANADA.

Tuesday Morning, June 16

- 9:15—**ASSEMBLY**—**MUSIC.**
- 9:30—**REPORTS OF OFFICERS.**
REPORT OF NOMINATING COMMITTEE.
REPORT OF COMMITTEE ON CONSTITUTION AND BYLAWS.
REPORT OF CREDENTIALS COMMITTEE.
- 10:00—*"Things We Have."*
L. S. Gilbert, Credit Service Exchange, Atlanta, Ga.; President, Associated Credit Bureaus of America, Inc.
- 10:30—*"Our Everyday Job."*
Robert L. Thornton, President, Mercantile National Bank, Dallas, Texas.
- 11:00—*"All Out Effort in Our National Emergency."*
Capt. A. A. Nichoson, Assistant to Vice-President, The Texas Company, New York, N. Y.
- 11:30—*"Rationalization of Consumer Credit."*
Robert W. Elsasser, Professor of Economics and Management, College of Commerce and Business Administration, Tulane University, New Orleans, La.
- 12:00—**INTRODUCTION OF EXHIBITORS' REPRESENTATIVES.**
- 12:15—**CONVENTION PHOTOGRAPH.**

JOHN S. FLEEK

Partner, Hayden, Miller & Co., Cleveland . . . President, Investment Bankers Association . . . Captain in World War I, awarded the Croix de Guerre by French Army . . . graduate of Phillips Exeter Academy and received M.B.A. cum laude, Harvard, 1921 . . . Officer and director of many business and civic organizations.



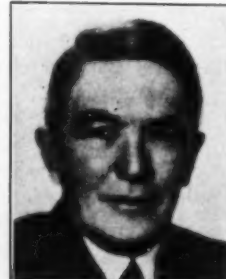
MALCOLM L. MERRIAM

In charge of Credit Research, Current Business Analysis Unit, United States Department of Commerce, Washington.



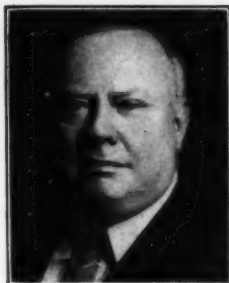
R. L. THORNTON

Founder and President, Mercantile National Bank, Dallas . . . began banking career in 1916 when he founded with two partners the firm of Stiles, Thornton & Lund, later changed to present name . . . outstanding civic leader and Past President, Dallas Rotary Club . . . he is emblematic of the spirit that has made the U. S. the greatest nation on earth.



**LILY PERSON**

Credit Manager, Plymouth Furs, Inc., Minneapolis . . . President, Credit Women's Breakfast Clubs of North America.

**A. G. T. MOORE**

Manager, Traffic and Conservation Departments, Southern Pine Association, New Orleans . . . formerly an executive of the Traffic Dept. of several large industrial concerns . . . in present position 27 years . . . member Executive Committee, Natl. Industrial Traffic League, Southern Traffic League, and many other Associations.

**WILLIAM H. BALDWIN**

Manager of Credits in the United States and Canada, General Motors Acceptance Corp., New York City . . . Joined GMAC in 1919 and served as Credit Manager, Branch Manager and Regional Manager . . . appointed to present position in 1936 . . . Second Lieutenant in Artillery, World War I.

HIGHLIGHTS

AND CREDIT SALES FORUM

CREDIT ASSOCIATION

HOTEL ROOSEVELT • Time, JUNE 15-18, 1942

Wednesday Morning, June 17

9:15—ASSEMBLY—Music.

9:30—REPORT OF FINANCE COMMITTEE.

9:40—"The Road Ahead as Viewed From Washington."

R. Preston Shealey, Washington Representative, N. R. C. A., Washington, D. C.

10:00—"Five Years of Progress."

Miss Lily Person, Plymouth Furs, Inc., Minneapolis, Minn.; President, Credit Women's Breakfast Clubs of North America.

10:20—"How to Streamline Everyday Correspondence."

Waldo J. Marra, Bank of America, San Francisco, Calif.

11:00—"Regulation W—Its Administration."

Hon. Ronald Ransom, Vice-Chairman, Board of Governors of the Federal Reserve System, Washington, D. C.

11:30—"Installment Credits in Wartime."

Wm. H. Baldwin, Manager Credits—U. S. and Canada—General Motors Acceptance Corporation, New York, N. Y.

12:00—"Greetings From Our Wholesale Friends."

Edward Pillsbury, B. Rosenberg & Son, New Orleans, La.; Past President, National Association of Credit Men.

12:15—ACTION ON FINAL REPORT OF COMMITTEE ON CONSTITUTION AND BYLAWS.

NOMINATIONS FOR OFFICERS. ELECTION.

Thursday Morning, June 18

9:15—ASSEMBLY—Music.

9:40—AWARDING OF TROPHIES.

10:00—"Improving Collections—The Collection Agencies' Contribution."

Fred Fluegel, Iowa Adjustment & Credit Bureau, Cedar Rapids, Iowa, Chairman, Collection Service Division, Associated Credit Bureaus of America, Inc.

10:20—"Letters."

Carl Wollner, President, Panther Oil & Grease Manufacturing Co., Fort Worth, Texas.

11:00—"A Customer Looks at the Credit Manager."

Mrs. Fay H. Arnold, Vice-President, Arnold Sales Training Institute, Los Angeles, Calif.

11:30—"Consumer Credit—The War and After."

Malcolm L. Merriam, In Charge of Credit Research—Current Business Analysis Unit, Department of Commerce, Washington, D. C.

12:15—ACTION ON REPORT OF RESOLUTIONS COMMITTEE.

RECOMMENDATIONS FROM GROUP MEETINGS.

WHERE SHALL WE MEET IN 1943?

UNFINISHED BUSINESS.

12:45—INSTALLATION OF NEW OFFICERS.

ANNOUNCEMENTS.

RONALD RANSOM

Vice-Chairman of the Federal Reserve System since 1936 . . . graduated with LL.B. from University of Georgia in 1903 . . . after being admitted to the Georgia Bar in 1903, he practiced in Atlanta until 1922 . . . has been in charge of the hearings conducted in Washington regarding Federal regulation of consumer credit.

**CAPT. A. A. NICHOLSON**

Assistant to Vice-President, The Texas Co., New York . . . saw active service in World War I and was honorably discharged with rank of major . . . for the past decade has made a close study of all phases of industrial economics . . . an outstanding speaker at the San Antonio convention.

**C. C. SHEPPARD**

President and General Manager, Louisiana Central Lumber Co., Clarks, La. . . former President of the Southern Pine Association and National Lumber Manufacturers Association . . . Vice-President of the Louisiana Manufacturers Association . . . former Director, National Assn. of Manufacturers . . . an outstanding leader in the lumber industry.



CREDIT DEPARTMENT LETTERS

• Aline E. Hower

SAVE TIME and Produce More is the watchword of our nation for all out war production. Today, as in the first World War, letter improvement has gained a new impetus. Executives are turning to it to streamline and improve the quality of their letters under chaotic wartime conditions. Brevity, friendliness, and clearness are more than ever important in 1942.

Letter improvement first came into widespread use following the introduction of the typewriter and other office machines for mass production. By 1910, much good work had already been done, and by 1917, there was a national Better Letters Association, since merged with the Direct Mail Advertising Association.

During World War I, the subject spread rapidly; many firms started letter improvement programs. Ediphone headquarters published interesting folders and bulletins on better letters.

The vast groundwork that has now been laid in this field serves business in good stead now. As the need to save man hours grows, it is a patriotic duty to save waste in letter writing as in all other places—cut the length, make letters friendlier, more complete, more resultful.

One of the most effective ways to streamline letters is to eliminate antiquated expressions and superfluous words, to "shave the whiskers," and give letters that clean-cut "1942" look.

Here are some of the "whiskered" expressions which weigh down business letters:

For your information I would like to advise you that. Unwinding, while the dictator decides how to start the real message. It is much better not to utter a word until you are ready to say something.

In replying wish to state that. Grinding out the lingo while the reader is impatiently awaiting the real message.

Our records indicate that. Where else would we get the information? Go ahead with the facts unless reference to the records is really needed.

Take this opportunity to. This can generally be omitted. If you are thanking, congratulating, or offering a man something, it is obvious that you are doing so.

Thanking you in advance. The out-of-date "ing" closing again. *This letter is for the purpose of informing you that.* The letter ought to make its object clear without being labeled.

This will acknowledge receipt of your letter. Unnecessary. An answer indicates that the letter was received.

Trust this is what you desire. Weak. Omit, except where there is real doubt, and then say, "If this isn't just what you wish, let me know."

Up to this writing. Obvious. "Up to this writing we have not received the payment." Let's drop this lingo and simply say, "We have not received the payment."

Your letter received. Apparent. We couldn't answer otherwise. Let's drop this expression.

We note from your letter.

We wish to call your attention to the fact that.

We herewith desire to notify you that.

We take the liberty to.

We take this opportunity to. Only marking time. In most cases these expressions can be left out without altering the meaning.

Today a short letter will be read when the long one is laid aside until later. The short, clear, complete letter will almost always accomplish its objective the first time, like a bright shears helping to cut the miles of red tape always present in a democracy at war. Letters are the lines of communication on the production front and should be as terse and readable as a MacArthur communique.

This Month's Illustrations

Illustration No. 1 is a letter couched in friendly, up-to-date wording. It is convincing and carries a warm handclasp. Although it should be particularly successful in any part of the United States, it must be extremely well received in the sunny South. United Oil Corporation of Columbus, Georgia, knows how to write letters!

Illustration No. 2 comes from another part of our vast land, and it's as friendly as No. 1, which is a real bouquet. The heart of the people, north, south, east, and west, is mighty fine. How anyone could avoid falling "in love with Spokane" and promptly visiting The Crescent, after reading this letter, I don't see. Notice the sales tone from start to finish—helpful, inviting ideas for the reader. A postscript is well used when it gives, not an afterthought, but a very important point. Next to the opening, the postscript occupies the most emphatic position in the letter. It becomes, in effect, the closing.

In *Illustration No. 3*, Mr. H. F. Long, District Manager, Allied Building Credits, Inc., Dallas, uses a new type of collection letter, originated in his office. "From the response to it," Mr. Long reports, "we feel that we have started a great many people on the road to helping our Nation by buying Defense Stamps." The letter has a fine patriotic appeal, to which in other ways and in many places folks are responding even as "deep in the heart of Texas." Therefore the letter is surely public spirited, unselfish, and foresighted. Mr. Long, you make us all wish—as far as we can—and in our best way—to follow your inspiring example. We've got to win this war and Defense Stamps and Bonds are a part of the battle. As one might expect, the letter is extremely well-worded and constructed.

Illustration No. 4 is eloquent through its very brevity. It is printed on green paper stock and the space for the insertion of the amount is ingeniously arranged. Keith-O'Brien, Inc., Salt Lake City, has done a neat piece of work.

How good it is to see our old friend, Panther Oil and Grease Mfg. Co., of Fort Worth, Texas, represented by *Illustration No. 5*. Mr. Blackwell has used a strong appeal, neatly worded and constructed. It includes the four prime urges: security, approval, activity, and progress. It reaches right out from "the heart of Texas" to Panther's large territory and must be very hard to resist.

Don't you feel the retail credit executives are writing wonderful letters?

UNITED OIL CORPORATION

THEO. G. REYES, PRESIDENT
L. RAY CHRISTIE, SECY.-TREAS.

SHELL PRODUCTS

GOODYEAR TIRES
DISTRIBUTING OFFICES - 1201 1ST AVE. - TEL. 241
COLUMBUS, GEORGIA

WILLARD BATTERIES
COPIER STATION 1212-B 1ST AVE. TEL. 1224
SOLE PLANT 1201 1ST AVE. TEL. 241

February 11, 1942

①

Mr. John Doe
Broadway
Columbus, Georgia

Dear Mr. Doe:

There is sentiment in business, the friendships made by correspondence should be just as firm as those made by personal associations. You have doubtless done business with concerns, the members of which you have never seen, yet every transaction was so courteously conducted, every relationship was so satisfactory that a real friendship was developed.

That is just the way we hope you feel about us-- we want your friendship just as much as we want a prompt settlement of our charge of \$5.50, because good friends are as essential to the development of a successful business as dollars.

Very truly yours,

UNITED OIL CORPORATION
L. R. Christie
Credit Department

C/ab

PLEASE
\$10.50

KEITH-O'BRIEN, INC.
88 EAST THIRD SOUTH
SALT LAKE CITY UTAH

④
Mr. R. A. Wise
2525 January
Salt Lake City, Utah

②

THE CRESCENT
SPOKANE

March 5, 1942

Mr. and Mrs. Larry Morse
87005 Lakeview
Spokane, Washington

Dear Mr. and Mrs. Morse:

We hope you'll fall in love with Spokane with its weather, its water, its people and the friendly spirit of the city. We like to think that Spokane has some of the old-fashioned, small-town virtues such as neighborliness and good-will --- and we're confident that we have most everything the biggest of cities has.

Of course, here at The Crescent, we're sure our store is just as fine, just as complete and fashion-conscious as any store in the United States. You'll find here everything you, your family and your home needs.

You may arrange purchases of home furnishings and electrical appliances on convenient monthly payments. Just make your selections and call at the Department of Accounts, fourth floor.

We do hope you'll visit us soon.

Yours very truly,

Eugene A. Shadle
President

cas bjh

P.S. Have you visited Wishmaker's House on the 5th floor? You'll find it filled with usable ideas for your own home.

ALLIED BUILDING CREDITS, INC.
GREAT NATIONAL LIFE BUILDING

DALLAS, TEXAS

③

LET'S DO IT THE AMERICAN WAY

BACK OUR BOCK PRIVATES WITH OUR PRIVATE BUCKS

Enlist NOW in our Offense Club by buying DEFENSE STAMPS!

To help you start your Defense Bond Saving Book, we will cancel all accrued late charges, provided:

1. You invest the amount of late charges in Defense Stamps. Send us \$2.50 and we will send you the stamps.
2. Your delinquent payments in the amount of \$2.50 must reach us within 10 days.
3. All future payments reach us on or before the due date.

Isn't that a swell way to bring your note to date and at the same time buy a share in "YOUR COUNTRY," AMERICA? We are sure you will take advantage of this generous, patriotic offer.

DO YOUR PART NOW!

Yours truly

ALLIED BUILDING CREDITS
H. F. Long
District Manager

PANTHER OIL & GREASE MFG. CO.



ASBESTOS ROOF COATING



THE GREASE IN THE SILVER DRUM

Fort Worth, Texas

⑤

February 16, 1942

Mr. Albert Gordon
42nd and College
Morgan, Texas

Dear Mr. Gordon:

Re: Your account \$100.00

Reputation is a peculiar thing. Now you have it -- now you don't. It takes years to build up a good one, but just a few bad deeds can ruin it in a very short time.

Credit rating is very similar. You have undoubtedly spent several years of struggle and hard work to make payments promptly to build your present good credit reputation.

Yet, just a few past due items such as the amount you owe us, can in a very short time destroy all of the efforts you have expended.

Isn't your account too small for such a large risk?

Please send your check today. You owe your reputation this protection.

Yours for a Clean Slate,

J. D. Blackwell
Assistant Credit Manager

JDB:MP



Credit Women in the VICTORY PROGRAM

*Miss Betty Davis**

When our country entered the war, the first thought of our Credit Women's Breakfast Club members was, "What can we do to help our country?" There is much work to be done for the best interests of our country, for our employers and for ourselves. As a free people, we have taken our liberty too much for granted. We have gone blithely on our merry way of living, too long expecting someone to do our work for us. It is *your* responsibility and *my* responsibility and we must all work together every available moment of this cruel war if we want to emerge victorious.

Credit Women's Breakfast Clubs have three beautiful words in the last line of their creed—Faith, Vision, and Courage. To me, faith is the greatest force in human life. It is greater than intelligence, charm, physical beauty, strength, political power and social position. There is practically nothing a man cannot do for himself if he has faith. It is the one force that can solve all our present difficulties and help us out of our present miseries. Faith is available to all of us; the cost is nothing and the rewards are unlimited.

We human beings were not meant to drag through endless days like half-starved worms. We were meant to walk proudly with our heads held high, full of courage and happiness in our work and our country. If you are not doing this, it is not the fault of the democratic form of government we live under, nor is it the capitalistic system which keeps us from doing it. It is our own singular lack of faith in ourselves. No matter how poor or how discouraged we are certain things must happen and they do happen. The sun shines despite the blackness of the clouds over it. Love happens to us no matter how great our unworthiness. These things don't just happen because we get down on our knees and pray for them or bow six times to the east. We had faith and we believed we had a right to these things and reached out for them. So, in the present crisis, we must have faith in our leaders and in ourselves. Remember, we are the architects of our own fortunes.

There are other things desperately needed in this world of turmoil and unrest. We need vision and courage. We need service and gratitude. Webster defines vision as an act or power of perceiving. The word embodies more than just perceiving; it means looking beyond today's happenings and planning greater things for the future. Credit women have a grand opportunity through their meetings to enrich the lives of other members with whom they come in contact. Our clubs were organized with this thought in mind: to promote good will, fellow-

ship and a better understanding among members by personal contact and association.

To me, vision is the ability to look up and forward, always keeping our eyes open for new things and never letting difficulties hinder us. They are only sand on our tracks to prevent us from skidding on the road to higher achievements. Erwin Kant, Past-President of the National Retail Credit Association, could visualize future needs in our credit work when he stated that if we would not take the lead in increasing down payments and reducing terms, Washington would. And of course, we all know that Washington did that very thing.

The American public loves courage. It loves intelligence. It loves forcefulness. It loves upstanding character. If we get any place at all, we must have courage. We must regard things that we wish to achieve as necessities and let no obstacle intervene between ourselves and the final accomplishment of our purpose. Unless we have that inclination, unless we have a sincere desire for doing things, we get no place. We must have courage in facing the world of today. We must adjust our outlook on the cruelties of war and make good use of substitutes without grumbling.

Courage for the Future

I believe all of our Breakfast Clubbers will do these things and do them with a smile. The substitutes may seem a bit strange at first, as the war is hastening the use of plastics. Conservation, thrift, and quick adaptation to changes are vital ways all of us as loyal American citizens can share in helping to win the war. Wishful longing for peace will not accomplish it. We need courage and plenty of it to forge ahead in our plans of today.

We will be rendering a real service to our country if we forget our selfish impulses and look about us for ways of helping others. Inspired by the ideal of service plus perseverance, each of us will realize the joy of accomplishment in all that we undertake. Many of our credit women are already giving real service to our country. They are working in Red Cross organizations after office hours; assisting in interviewing civilians in home defense projects, and helping instruct people in the proper things to do in case of air raids. Many of our girls are learning to be mechanics and airplane pilots, ready to be of service to their country any time they are needed.

We should be grateful for the loyalty of our fellow Americans, for the flag of the free, for the faith, vision and courage which our forefathers guaranteed to this country. We, as credit men and women of our nation, stand ready and willing to preserve and defend our precious heritage from the hungry wolves of foreign shores.

*Southern Tea Room, Champaign, Ill. President, Credit Women's Breakfast Club, Thirteenth District.

Credit Women's Breakfast Clubs of North America

SIXTH ANNUAL CONVENTION

New Orleans, Louisiana, June 15-18, 1942



LILY F. PERSON
President
Minneapolis, Minn.



MRS. PAULINE B. SHEPARD
First Vice-President
Jacksonville, Fla.



MRS. MARTHA BEAN GLEASON
Second Vice-President
Washington, D. C.

EULALIA THATCHER
Treasurer
Salt Lake City, Utah



Program

Sunday, June 14 . . .

7:00 P.M.—GET-TOGETHER, Hostess Room, Parlor E, Mezzanine Floor, Hotel Roosevelt.

Monday, June 15 . . .

9:00 A.M.—SPECIAL COMMITTEE MEETINGS.
5:30 P.M.—PRE-CONVENTION BOARD MEETING, DUTCH TREAT DINNER, Pan-American Room, Mezzanine Floor.

Tuesday, June 16 . . .

7:00 A.M.—ANNUAL BREAKFAST, Blue Room.
12:30 P.M.—DROP-IN LUNCHEON, DUTCH TREAT, Blue Room.

Wednesday, June 17 . . .

10:00 A.M.—“Five Years of Progress.”
Miss Lily Person, Plymouth Furs Inc., Minneapolis, President, Credit Women's Breakfast Clubs of North America, Ballroom.
12:30 P.M.—DROP-IN LUNCHEON, DUTCH TREAT, La Louisiane Restaurant, 725 Iberville St.
7:00 P.M.—ANNUAL BUSINESS MEETING, University Room, Second Floor.

Thursday, June 18 . . .

12:30 P.M.—POST-CONVENTION BOARD MEETING, DUTCH TREAT LUNCHEON, Parlor 228, Second Floor.
7:30 P.M.—GRAND BANQUET AND DANCE, Ballroom, Hotel Roosevelt.



MRS. KITTY LOFTON
Recording Secretary
Atlanta, Ga.



SAL E. PROELL
Corresponding Secretary
Minneapolis, Minn.



MRS. LUCILE REYNOLDS
Financial Secretary
Fort Worth, Texas



← ROSE ZURBUCHEN
Historian
Portland, Ore.

When the Smoke Clears Away

We should all look toward the post-war period which is bound to come and consider those factors of major importance with which we will be faced.

Ira M. Patton

Credit Manager, The Tutwiler Hotel
Birmingham, Ala.

THE LONG WALK up the hill had made the old man tired. He leaned heavily upon the youth at his side and indicated by a tug at his arm that he wanted to stop again to rest. The youth complied and smiled reassuringly, even though they were only a short distance from the crest.

The smoke from the chaos in the village below obscured it from view. Occasionally the old man coughed and rubbed his smarting eyes. Upon reaching the top of the hill they both stood breathing the fresh air before either attempted to speak.

From somewhere nearby a bird chirped gaily and broke in upon the quiet stillness. The youth spoke. "Why is it like this, Padre? This bickering and distrust among men, when there are so many beautiful things in the world." The old man turned his wrinkled, weather-beaten face toward the youth and sighed. He did not answer immediately. The lines in his forehead and the half-closed eyes showed he was deep in thought, as he replied:

"It has always been this way, my son. From the beginning of time there has been a constant conflict in the emotions of man, trying to understand man. Every age has brought about progress. In the Pastoral age, man was entirely dependent upon his own aggressiveness to provide for himself and his family. If he wanted something that his neighbor had, he took it by force. Might was right. His actual wants were few and simple and the game that he stalked and killed provided food and clothing.

"By nature man is restless and by crude experimentation he soon learned that the soil, when tilled and planted, would yield food. Perhaps the agricultural age was actually the beginning of the Grandees and other titular landowners, for some were more progressive and hired other men to till the soil for them on shares. Gradually, there were fewer landowners and more serfs, who were actually more or less slaves.

"Man, in his continued progress, developed the guild system, or the system of the apprentice, journeyman and master craftsman. The master craftsman's name was a by-word for his products, and perhaps from a standpoint of quality, excelled in some degrees, our present machine age.

"The eighteenth century ushered in the industrial revolution. Labor-saving machinery was introduced and practically eliminated the master craftsman and his assistants. Women and children were employed in factories at pittance wages, and history records even the leasing of orphans to factory owners. Working conditions were deplorable and the rate of accidents and deaths was high.

"Immediately after the Civil War, an organization, the Knights of Labor, was formed to protect the workers from exploiting industrialists. Slow in the beginning, but gaining as time passed, until today the various labor unions have a membership of over 9,000,000 in the United States.

"Today, due to the conflict of world opinions, conditions have been brought about which make it difficult to plan for the future with any degree of certainty. All of us should, however, look toward the post-war period which is bound to come and consider those factors of major importance with which we will be faced.

"When we finally put aside our instruments of war, we will again reorganize American industry. Machines will be reconverted for peacetime production and with the added wartime facilities, production will reach a higher peak than ever before.

"Up until December 6, 1941, our nation had been divided by disagreements of various kinds. Employer and employee were in continuous controversy. Bickering and distrust, caused by constant agitation, resulted in unrest and oftentimes bloodshed.

"The 'yellow attack' upon Pearl Harbor, December 7, changed American attitude overnight; or rather, reunited the American people. Today our common purpose is to defeat the Axis powers and preserve our way of life.

"Both the employer and employee should profit from the mistakes of the past and establish mutual policies that will leave no room for the agitator and exploiter. Co-operation should be stressed and cultivated but always with the knowledge that it does not travel a one-way street but must move in both directions. In the immediate past, both the employer and the employee have in many instances overlooked this important fact.

"In the general reorganization, both the employer and the employee will be faced with many problems. This will be a period of economic and personal adjustment for everyone, and every individual whether a member of the armed forces or a civilian, faces a period of 'coming to terms with himself.' Employees will in many cases have to re-learn their jobs as methods will have

changed to a certain degree. Difficulties will arise by the return to work of soldiers and sailors, thus involving the dismissal or replacement of their wartime substitutes. The employer will at that time need a truly human attitude, a big heart and a fellow-feeling for the readjustment problems of the employees.

"The employee must and should realize that while he is occupied in personal readjustment, the employer is also facing problems of personal and economic readjustment. He should consider carefully the problem that the employer faces and should be willing to cooperate in all matters. The employee should obligate himself to be efficient and make himself as valuable as possible to the business, understanding that if he does not, someone who has just returned to civilian life will be ready and willing to take his place.

Employee-Employer Relations

"When we speak of the employer, he may be the owner of the business, as an individual, or a group of individuals. He makes two definite contributions to business; his capital and his talents. The employee is an individual who makes one contribution; his talents in a chosen field of endeavor. Both the employer and the employee have a common purpose; the obtaining of a livelihood, for themselves.

"Believing that the degree of success of an organization is going to depend more than ever upon the mutual attitude of the employer and employee working together for the common welfare of all; let us consider what one might well expect of the other.

"The employer makes it possible for the employee to exercise his acquired knowledge in a given field. The young man graduating from college with a degree in engineering and without funds, would have no way of applying that knowledge without the instruments and field of endeavor in which the employer invested his capital. The employee owes him a sense of appreciation for providing an opportunity of earning his livelihood.

"The employee owes the employer an honest effort to accomplish in his particular sphere of activity everything possible for the advancement and welfare of the organization. He is, or should consider himself, an important part of the organization and should apply his abilities accordingly. He should study the workings of other departments that he may coordinate his activities with those of the organization as a whole. He should realize that in the long run the success of any particular activity can be no greater than the success of the organization as a whole. If he is selling goods he should put forth the same effort for the employer that he would for himself if positions were reversed.

"He should protect his health and keep himself physically and mentally fit. This is especially true if in his position he is required to meet the public. Mental attitude can very definitely be an asset or a liability with far-reaching effects.

"The employer may reasonably expect the employee to know something of the community in which he lives; why the business was located there instead of some other place. He should understand what the business contributes to the life of the community and the country as a whole. This knowledge will enable him to better understand some of the employer's problems, which are brought

about through local government and other organizations with which he must cooperate.

"Reliable research has disclosed that the three most prevalent complaints of the employee are: (1) Insecurity of position; (2) lowering of prestige; and (3) lack of interest of the employer in the employee as an individual.

"There should be set up a definite policy of employer-employee relations, and this policy should be clearly understood by both parties. The employer should realize that his business would be worth nothing without the employee, and in order that the employee may make the greatest contribution to the success of the business, he should work under conditions that will develop the zenith of his talents. If the employee is a janitor, give him a good broom to sweep with. Let him know that you are putting him in charge of a good floor with a definite responsibility; that you are providing him the best of tools with which to work. Create in him a sense of responsibility and pride.

"Every employee, regardless of his station, has the right to expect the strain of human relationship from his employer and fellow employees.

"The employer should know something of the background of the employee. If he doesn't have time to know him personally, he should have a department head or personnel director to do so. Oftentimes when company loyalty is mentioned, the words fall upon deaf ears because the employee may be working under distressing conditions. He may have a bedridden wife or perhaps his child has been sent home from school because of suspected tuberculosis. Many employees have been misunderstood and sometimes discharged because of inefficiency which a good personnel director could have corrected.

Individual Recognition

"The employer should set up some system of individual recognition. Many of our outstanding business leaders have come from the ranks, due to the fact that an employer or department head listened attentively to a constructive idea.

"In considering our relations with one another, we will do well to remember the adage that 'Station is but recognition of attainment and not necessarily of human worth.' From the beginning of time, there has been a constant conflict of emotions in man, trying to understand man."

The smoke gradually cleared away, and beyond the devastated village a green valley was visible. The old man pointed toward the valley and continued. "It is there that we will start rebuilding." There was earnestness in the youth's reply. "Yes, Padre, and this time there will be everlasting peace." The old man shook his head doubtfully. "I wonder," he said. The youth looked at him questioningly as though he had misunderstood.

Agings were written in the old man's face. His smile was forced and tired as he continued. "My son, the answer to all of man's problems was given to him 2,000 years ago by a carpenter. In his wisdom and forethought he said, 'Whatsoever ye would that men should do unto you, do ye also unto them.'"

March, 1942

The Collection

DISTRICT AND CITY	DEPARTMENT STORES (Open Accounts)						DEPARTMENT STORES (Installment Accounts)						WOMEN'S SPECIALTY STORES						FURNITURE STORES (Installment Accounts)						JEWELRY
	1942			1941			1942			1941			1942			1941			1942			1941			
	AV.	HI.	LO.	AV.	HI.	LO.	AV.	HI.	LO.	AV.	HI.	LO.	AV.	HI.	LO.	AV.	HI.	LO.	AV.	HI.	LO.	AV.	HI.	LO.	
Boston, Mass.*	—	—	—	48.2	50.9	46.8	—	—	—	15.5	17.3	12.7	—	—	—	51.5	70.1	44.4	—	—	—	—	—	—	—
Lynn, Mass.	56.3	59.0	45.2	51.5	59.6	44.9	41.7	46.9	36.5	38.9	41.9	35.9	—	—	—	—	—	—	21.0	28.0	18.2	16.0	22.5	12.2	—
1 Springfield, Mass.	59.4	63.7	54.6	50.2	52.2	48.1	21.1	23.0	19.2	14.9	16.8	13.0	—	50.3	—	—	59.6	—	—	—	—	—	—	—	—
Worcester, Mass.	51.5	51.5	51.5	46.3	49.5	43.2	—	24.2	—	22.2	25.1	19.3	42.8	48.7	37.0	44.3	47.0	41.6	—	—	—	—	—	—	—
Providence, R. I.	47.5	77.3	41.5	46.8	70.4	43.9	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
New York City*	—	—	—	48.8	53.8	40.3	—	—	—	18.9	29.0	13.4	—	—	—	43.4	53.8	38.9	—	—	—	—	—	—	—
2 Syracuse, N. Y.	41.9	45.3	36.6	40.9	42.3	36.5	17.7	22.5	12.5	18.7	21.0	12.4	—	44.3	—	44.7	45.8	43.7	—	—	—	—	—	—	—
Pittsburgh, Pa.	44.0	49.9	36.3	44.2	49.0	36.3	18.9	24.5	14.5	17.3	22.5	13.5	43.8	49.9	36.3	44.0	49.0	36.3	—	—	—	—	—	—	—
Reading, Pa.	59.3	63.0	55.6	57.0	58.3	55.7	—	—	—	—	—	—	—	—	—	—	—	—	10.0	—	—	—	—	—	—
Washington, D. C.	39.6	43.3	37.7	40.7	46.6	35.7	16.9	21.1	14.3	14.9	17.0	13.1	—	—	—	—	—	—	—	—	—	—	—	—	—
3 Baltimore, Md.	44.3	50.2	35.1	42.9	51.0	34.8	20.5	28.3	13.3	18.2	26.2	13.8	43.8	47.0	41.1	43.9	47.4	42.2	—	—	—	—	—	—	—
Huntington, W. Va.	77.2	88.1	66.3	58.3	62.4	54.3	16.9	19.3	14.6	13.5	15.2	11.8	—	30.4	—	—	31.8	—	14.4	—	—	10.7	—	—	—
4 Birmingham, Ala.	43.4	46.4	38.0	41.4	44.6	35.0	19.1	24.1	14.5	18.5	21.3	15.3	44.7	53.2	40.0	51.1	56.3	46.0	14.0	15.6	12.5	12.6	14.4	10.8	—
Atlanta, Ga.	31.9	35.6	27.5	32.7	36.7	28.3	14.6	15.3	14.1	13.3	14.4	12.1	32.5	38.7	29.2	33.2	37.6	27.1	12.9	13.9	11.3	11.8	13.3	10.1	—
Little Rock, Ark.	43.4	47.4	39.4	40.8	41.5	40.1	25.1	29.1	21.2	21.8	27.1	16.6	—	47.3	—	—	45.9	—	—	—	—	—	25.0	—	—
5 Kansas City, Mo.	69.1	73.6	49.2	66.6	73.4	47.9	—	23.7	—	16.9	20.2	13.6	50.0	59.0	44.3	50.8	60.7	39.3	—	—	—	—	15.1	—	—
St. Louis, Mo.	54.0	65.5	46.1	53.7	63.0	48.6	22.7	28.0	19.7	19.3	23.0	17.1	44.7	52.2	39.7	43.9	51.4	38.1	—	25.4	—	—	20.3	—	—
Louisville, Ky.	46.7	50.1	43.3	47.9	52.6	43.2	15.1	21.4	16.8	17.8	18.7	17.6	40.8	47.5	38.0	40.5	47.3	38.0	—	14.0	—	13.4	14.0	12.8	—
Detroit, Mich.	56.3	67.8	45.5	54.4	68.9	44.0	27.9	31.8	21.5	24.1	27.9	17.5	48.5	51.2	45.4	51.7	54.4	49.2	—	—	—	—	—	—	—
Grand Rapids, Mich.	49.4	52.7	44.1	46.7	50.0	44.1	21.8	22.9	20.6	19.8	20.2	19.4	44.1	51.4	35.0	45.5	45.8	45.2	18.6	24.5	12.2	19.3	23.5	12.0	—
Cincinnati, O.	52.2	57.0	47.4	49.6	53.8	44.8	19.1	24.2	14.8	16.9	20.4	13.5	44.0	46.7	34.9	44.6	51.4	38.4	—	—	—	—	—	—	—
6 Cleveland, O.	48.6	51.2	46.7	48.6	49.4	46.9	25.4	27.8	19.3	19.2	27.5	17.7	42.8	44.0	40.7	41.2	48.8	39.5	14.5	17.1	12.0	12.2	14.3	8.0	—
Columbus, O.	44.5	46.5	42.5	45.0	46.3	43.8	24.0	27.4	20.6	21.4	22.2	13.8	50.4	51.4	42.2	45.3	49.5	37.7	14.0	36.0	13.6	11.9	45.0	11.6	—
Toledo, O.	45.6	48.6	42.6	43.7	45.8	41.6	15.8	23.4	14.1	13.9	21.4	13.8	43.8	44.6	43.0	47.1	48.1	47.0	—	—	—	—	—	—	—
Youngstown, O.	44.3	46.1	42.6	44.3	44.8	43.8	17.2	18.3	16.1	14.5	16.9	12.1	—	—	—	—	51.7	—	—	—	—	—	—	—	—
Milwaukee, Wis.	50.4	55.5	46.4	45.8	55.4	43.0	23.4	26.1	21.1	18.1	20.0	17.4	40.8	51.6	30.0	38.4	52.2	24.4	16.4	18.1	13.1	13.2	13.7	10.6	—
Cedar Rapids, Ia.	56.8	60.0	53.6	58.0	60.1	43.0	—	22.4	—	22.5	24.0	21.0	—	—	—	—	—	—	—	—	—	—	—	—	—
Davenport, Ia.	49.5	52.0	47.1	50.3	52.4	48.3	19.1	22.3	16.0	15.6	15.7	15.6	—	—	—	—	—	—	20.6	—	—	19.8	—	—	—
Des Moines, Ia.	45.3	47.9	40.1	46.7	51.1	41.0	—	14.1	—	—	12.8	—	48.8	56.5	35.7	45.5	61.1	37.9	—	—	—	—	—	—	—
7 Sioux City, Ia.	43.1	48.1	42.1	42.4	46.7	39.4	22.1	24.2	15.4	17.6	19.3	15.2	—	39.0	—	—	35.0	—	19.6	—	—	19.1	—	—	—
Minneapolis, Minn.	67.4	75.9	63.2	64.2	66.8	62.0	22.5	25.6	17.7	19.8	22.6	16.4	59.2	60.0	58.4	60.7	61.7	59.7	—	12.4	—	—	11.3	—	—
St. Paul, Minn.	51.3	58.4	47.2	51.1	58.3	41.5	24.4	36.1	19.5	25.8	37.0	16.5	45.7	55.0	33.0	45.0	51.7	33.0	—	—	—	—	—	—	—
Omaha, Neb.	—	46.2	—	—	44.5	—	—	16.1	—	—	12.8	—	44.4	45.1	43.8	44.5	44.9	43.1	—	—	—	—	—	—	—
8 Tulsa, Okla.	60.1	62.0	58.2	58.6	61.0	54.1	23.0	31.0	15.7	21.5	27.0	14.3	46.0	48.0	44.0	48.0	53.0	43.0	—	—	—	—	—	—	—
San Antonio, Tex.	42.0	45.3	33.7	40.0	50.3	36.3	—	—	—	9.4	10.3	9.0	40.0	45.6	38.0	37.0	45.4	35.4	12.0	13.0	11.7	11.6	17.8	10.4	—
Denver, Colo.	43.4	46.5	42.4	42.7	46.7	40.7	17.1	22.4	13.5	15.1	16.0	11.2	41.4	46.5	42.4	43.3	45.5	40.7	11.6	13.2	10.0	10.2	11.0	9.4	—
9 Salt Lake City, Utah	56.9	64.8	48.6	53.1	60.3	46.1	23.7	28.8	22.0	20.0	22.5	18.4	—	—	—	—	—	—	—	—	—	—	—	—	—
Casper, Wyo.	—	110.8	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	43.0	—	—	—	—	—	—	—
Portland, Ore.	41.8	72.6	37.5	36.4	37.5	35.4	17.6	17.7	15.5	14.5	16.0	13.5	42.5	48.9	39.6	45.1	47.2	36.2	—	—	—	—	—	—	—
10 Spokane, Wash.	56.1	59.4	52.9	50.8	51.5	50.1	14.1	15.9	12.4	12.6	13.6	11.6	55.0	57.6	45.0	—	59.0	—	—	—	—	—	—	—	—
Los Angeles, Calif.*	—	—	—	59.5	65.1	53.4	—	—	—	17.7	20.0	17.7	—	—	—	48.5	57.1	42.1	—	—	—	—	—	—	—
Oakland, Calif.	50.4	54.0	44.9	50.2	53.9	45.1	20.9	32.1	17.1	16.9	28.8	15.6	42.2	49.7	34.7	42.9	52.4	33.5	—	24.0	—	—	19.8	—	—
San Francisco, Calif.	41.3	55.9	36.3	41.9	54.6	38.7	17.6	23.9	13.8	16.7	21.0	15.1	32.2	36.6	28.0	33.7	37.7	29.9	—	—	—	—	—	—	—
Santa Barbara, Calif.	49.3	56.4	35.2	46.9	58.5	34.1	—	—	—	—	—	—	47.5	48.4	45.8	47.3	51.5	41.1	—	—	—	—	—	—	—
Vancouver, B. C.*	87.3	102.1	72.5	64.8	69.6	59.9	28.5	34.3	22.7	26.9	34.0	19.8	—	—	—	—	51.0	—	23.5	27.0	20.0	19.0	23.0	15.0	—
12 Victoria, B. C.	78.0	80.5	75.5	64.8	68.4	61.2	24.0	28.2	19.8	22.9	27.5	18.4	—	—	—	—	—	—	—	—	—	—	—	—	—
Ottawa, Ont.*	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—

*1942 figures not received at press time
 †Installment

1Furriers
 2Laundry

3Heating
 5Lumber

6Paper and Paint
 7Fuel

8Cleaning and Dyeing

FORTY-SEVEN KEY CITIES COOPERATING WITH THE RESEARCH DIVISION -- IN THE

March, 1941-

eing**²⁵Dental Supplies**

MAY 19 CREDIT WORLD



Utility Credit and Collection Problems are Different

Claude A. Parks

Credit Manager, Southwestern Gas & Electric Co.
Shreveport, La.

CREDIT AND COLLECTION problems of utilities differ, in many ways, from those of other businesses. I shall not attempt to consider all of them, only the more outstanding ones. Most lines of business are free to choose their customers. This is not true with utilities. The franchises or indeterminate permits under which they operate, require that service be made available to everyone without discrimination. The bad must be accepted with the good and the same dependable, economical service rendered to all. Everyone not indebted to the company for previous service, has the right, and will receive service upon application. His credit rating or the manner in which he will later pay his account cannot prevent him from receiving service. Very few credit men in other lines of business would approve a charge account for a person whose record was such that a loss was almost certain. However, this is not unusual with utilities in opening accounts for residential service, as the fixed deposit for this type of service is often inadequate.

Since utilities are required to render service to everyone who complies with the approved requirements, various protective measures have been adopted. Some require all applicants to make deposits, others do not make this requirement of property owners. Regardless of the method adopted, a meter deposit is not an absolute guarantee against loss, as many seem to think, because it is impossible to estimate in advance the amount of current any customer will use in one month.

A Method of Protection

The need for a simple procedure in handling applications and the urgency of providing service to customers promptly instead of waiting until a credit report could be secured has caused most utilities to accept fixed deposits for residential service. This deposit may be sufficient for one season of the year and insufficient for another. It may provide adequate protection for the small consumer's account and be inadequate for the larger ones; however, like rates, it is based on the average consumer and is applied to all alike. Deposits are very necessary in the successful operation of utilities and the regulatory

commissions and courts have generally held this to be true.

Many people have asked why utilities do not secure a credit report on all their applicants, like other lines of business, and accept the good and reject the bad. This procedure although practical in most businesses would not be so with utilities. Customers whose applications for credit are declined by one store may apply at another or they may make cash purchases if desired.

Uniform Deposits and Requirements

Utility service cannot be determined and paid for in advance nor, as a rule, can the customer secure service from other sources. Under these conditions uniform deposits and requirements from all customers alike has proved to be the soundest and most satisfactory method of serving utility customers. It is certain that under such a system deposits are made by customers whose credit is unquestionable; however, interest is paid on all deposits regardless of condition of the individual account.

Another fallacy of using the credit rating system in regard to utilities is that credit ratings can change rapidly and a good risk today may be a bad one tomorrow. Needless to say, utilities would be unable to keep up with the credit record of each customer. Without this simple uniform deposit system, confusion and delay would arise in determining a customer's credit standing or the amount of deposit that should be required of each customer. In the final analysis, the requiring of deposits and the interest paid thereon serves a twofold purpose: protection of the utility from unnecessary loss and increased collection expense on slow and bad paying customers, as well as an assurance to prompt paying customers of economical, dependable service.

Another way in which utility problems are different is the inability to establish credit limits on customers' accounts. After service has been connected, the customer may use as much electricity as he desires for a period of approximately sixty days. This is quite different from approval of each credit purchase that must be secured by customers of other lines of business. Utility customers push the switch and purchase unlimited amounts without the approval of the credit department.

Credit departments of other businesses may, if they desire, determine the amount any customer owes at the close of each day's business, but utility credit men receive this information only once each month and that is when the meter is read. Other businesses may close an account the day after it is opened if they so desire, or

they may refuse to allow additional purchases by the customer and no advance notice is required.

Although utilities have the right to discontinue service for nonpayment of bills, it is used only as a last effort at collection. Other credit men have expressed a desire for such a collection system but they fail to realize that the utility customer can make purchases for sixty days before this system can be used.

Utility service is necessary in modern homes and businesses; therefore, every possible effort is made to avoid disconnections. Notices are sent out several days in advance of such action and customers are urged to make arrangements for payment and cooperate in other ways so that it will not be necessary to interrupt service. In all credit business it becomes necessary to tell some customers they cannot make any more purchases until their accounts are paid. The only way the utilities system differs is that they must go to the home or place of business to stop purchases while other lines of business wait until the customer comes to the store and expresses a desire to make additional purchases.

On the Alert Against Losses

After purchases have been stopped, the utilities' problem is still different. Although other stores might not collect accounts, they are reasonably sure customers will not continue to make purchases that will also result in a loss. If utility service is not reconnected within a few days, it is safe in most cases to assume that the customer owes other accounts, especially rent. Furthermore, the chances are he has moved to another address. This class of customer often makes application for service at the new address in the name of some relative, friend or even under an assumed name. The utility credit department must be on the alert to protect its company against such losses.

"How is this sixty-day use of current possible?" is a question often asked utility credit departments. The thirty-day period covered by each bill, plus time required for billing and the time allowed within which to pay the net bill, takes up about forty-five days. Preparing second notices, delivering them and allowing a reasonable amount of time for the customer to make remittance accounts for about fifteen days. This sixty-day period is often extended by a utility's inability to gain access to meters for reading and by requests of customers for more time to pay accounts. Such requests are numerous and necessitate a careful analysis in each case. Some, however, are not justified and a decision can be reached without much delay. Others require a thorough study of the conditions surrounding them, just as similar cases in other lines of business.

No article about utility collection problems would be complete unless the system of billing was included. Customers receive their incomes on different days during the month and naturally each one would like his

bill to become due on his pay day. This, you will agree, would present a problem in any line of business. Most of the utilities have solved this problem in a way that is fair to all by adopting what is known as continuous billing. This system has been generally adopted by all utilities both publicly and privately owned. It is generally approved by regulatory bodies. A city or community is divided into twenty-five geographical sections. This corresponds to the number of working days in the average month. With this system they can read the meters of one group of customers, bill another group and receive payment from still another group each day during the month. If they attempted to read the meters of all customers on one date in order to render bills on the last day of the month or any other one date, this procedure would result in a very substantial increase in operating cost.

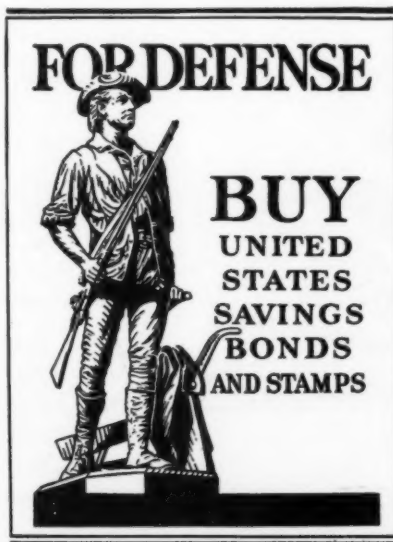
Most utilities, through rates approved by regulatory authorities, allow a discount for payment of bills within a certain period, or they collect an additional amount if not paid within this period. This difference is determined by the approved rate as some bill on gross rates and allow a discount, while others bill for net and add a penalty. From the customers' standpoint there is no difference in the two systems. Net and gross billing is, of course, a stimulus to collection and the method is used not to penalize the prompt paying customers but to protect them. This class of customer is entitled to the lowest possible rates; therefore, the gross amount is collected only from those who do not pay promptly. Any rate that did not provide for a net and gross bill would not offer any inducement to the slow and bad paying customer to pay more promptly, and would necessarily result in a higher rate to all. The increased cost of collecting these thousands of small accounts would become exorbitant and it would have a decided effect on the present low rates that utility customers are enjoying.

Another phase that affects the credits and collections of utilities, although not unique, is worthy of mention. It is the irrecoverable feature of service after it has been consumed. This feature along with the continuous use of service during the period covered by collection efforts

presents a problem different from those of other credit and collection departments.

We are at the mercy of the public if they decide we are not the ones to serve them. Since good will, then, is the lifeblood of our business, our aim must be to better customer relations.

Public utilities have as their customers every type of individual, of all races, the rich and the poor. They serve every kind of business, schools, hospitals, charitable institutions and governmental bodies. In the agricultural section, they supply service for the farmers' needs. The diversification of their customers and the natural difference in their business and other lines, you will agree, creates many different credit and collection problems.



Wartime Convention Preview

Thirtieth Annual Conference and Credit Sales Forum
June 15-18, 1942, The Roosevelt Hotel, New Orleans, La.

STANLEY W. KEMP
General Convention Chairman



CONVENTION TIME is fast approaching. The 30th Annual Conference and Credit Sales Forum convenes in New Orleans at the Roosevelt Hotel, June 15-18, 1942. If you have not made your plans to attend this meeting do so now. It will be one of the most important meetings ever held in the history of the National Retail Credit Association.

An outstanding program has been arranged, the highlights of which will be an address by Honorable Ronald Ransom, Vice-Chairman, Board of Governors, Federal Reserve System, Washington, D. C., and the Open Forum to be held Wednesday afternoon, at which Mr. Ransom and members of his technical staff will be present to participate in a general discussion of Regulation W.

If you will refer to outline of the business program on pages 10-11 of this issue, you will agree that you cannot afford to miss this opportunity to attend a meeting that will prove so worth-while.

General Entertainment Program

The entertainment program has been so designed that you will remember your visit to New Orleans for many years to come.

Sunday evening, delegates will have an opportunity to meet old friends and make new ones at the "Meet the Gang" cocktail party at the Roosevelt Hotel, Convention Headquarters.

Monday evening, a boiled shrimp and crab supper will be served on the shores of beautiful Lake Pontchartrain. For this affair you will want to wear slacks or play clothes. Bring your bathing suits. The supper will take place in Pontchartrain Beach Amusement Park where everything for your entertainment will be available including bathing and dancing.

Tuesday evening, a boat ride on the "Father of Waters," the Mississippi River. This will be a river steamer trip in the cool of the evening. A dance orchestra will entertain during the trip.

Wednesday evening will be open night for everyone to enjoy himself in his own way.

Thursday evening—the annual banquet.

Ladies' Entertainment Program

Monday noon—Luncheon bridge.

Tuesday morning—Escorted walking tour of the French Quarter, including visits to the many places of interest.

Wednesday afternoon—Bus tour of the city.

Reservations

Make your room reservation now! All inquiries will be answered immediately. The following flat rates were arranged for this convention:

Single room and bath.....\$4.00 per day
Double room and bath.....\$5.00 per day
Twin bedroom and bath.....\$7.00 per day

Transportation Facilities

Accommodations on trains, planes and busses to and from New Orleans may be readily secured, even in this day of war activity, with demands remaining considerably below the "saturation point." Check with your Transportation Agent.

New Orleans—A Vacation City

After the convention is over many delegates will want to stay over for a few days of vacationing. New Orleans abounds with things to do and see. Information will gladly be supplied.



REGISTRATION

Registration Fees:—Delegates \$10.00. Wives, families and guests \$5.00.

Name of Individual.....

Date of Arrival.....

Name of Firm.....

City and State.....

Will attend sessions of.....Group.

Time of arrival.....
A.M. P.M. By Train ☐ Plane ☐
Auto ☐ Bus ☐

Will Wife Attend? Yes ☐ No ☐ Her Name.....

Check Enclosed ☐ for...\$10.00 registrations—\$ Total

Mail Statement ☐ for... 5.00 registrations—\$ Total

Send Hotel Rates ☐ Grand Total \$

Mail to

Ernest E. Dellucky, c/o Marks Isaacs Co., New Orleans, La.

Four Printed Aids to Speed Victory

CREDIT EXECUTIVES are assisting their country in the war effort through printed educational material such as illustrated below.

Insert Number 1 by the Wichita Retail Credit Association briefly explains the effect of the war on retail credit.

Insert Number 2 by the San Antonio Retail Merchants Association indicates four ways patriotic shoppers can help curtail waste and help win the war. This is a four-page folder on the front cover of which is printed, "It is the patriotic duty of every retailer and every consumer to curtail wasteful operations. You can help!"

Insert Number 3 by the Retail Merchants Credit Bureau of Schenectady, New York, tells the recipient that they are mailing the enclosure rather than delivering it in person because tire rationing requires them to reduce their personal calls.

son because tire rationing requires them to reduce their personal calls.

Sticker Number 4 is a contribution of the National Office which carries a message for prompt payment of bills with a national defense tie-in. For additional information regarding this sticker and two new inserts see the inside back cover of this issue of *The CREDIT WORLD*.

The colors, red, white and blue are effectively used in Insert No. 2 and Sticker No. 4. Insert No. 1 is printed on blue stock with black ink and Insert No. 3 on blue stock with soft brown ink.

What has been your contribution along this line? We are interested in seeing samples. Other members write us for typical examples and we want them on hand.



① WAR AND RETAIL CREDIT

OUR "ALL-OUT" WAR EFFORT WILL CAUSE—

- (1) A progressive scarcity of consumer merchandise.
- (2) Gradually rising prices in many lines, even with a price ceiling fixed by the Government.

HOW WILL THIS AFFECT RETAIL CREDIT?

- (1) If merchants can get merchandise only in limited quantities their volume of sales will be reduced.
- (2) As they replace merchandise much of it will cost them more than that sold—

CONSEQUENTLY . . . their margin of income over expense (expense which will include their share of war taxes) will be reduced, and they in turn will be forced to select their credit risks more carefully.

HOW WILL THIS AFFECT THOSE WHO BUY ON ACCOUNT?

- (1) Those with a good-paying record and sufficient income will still be able to buy.
- (2) Those who owe past-due accounts will find it harder and harder to buy on account.

The Moral . . . Pay Your Past-Due Accounts Now!!

**GUARD YOUR CREDIT AS A SACRED TRUST
... TODAY — TOMORROW — FOREVER . . .**

Collection Department
The Wichita Retail Credit Association
203 Kaufman Building
Wichita, Kansas





③ Good Morning

WE ARE mailing this enclosure, rather than delivering it in person, because tire rationing requires us to reduce our personal calls. To win the war, however, we are ready for greater sacrifices.

WE WANT you to know we appreciate your business as much as ever. We are just as interested in you and your credit problems, even though we cannot call as often as we would like. The telephone is handy, and we hope you will give us a ring (4-3311) whenever we can be of service.

RETAIL MERCHANTS CREDIT BUREAU
Credit Reports - Collections
Chamber of Commerce Building
Schenectady, N. Y.



PROMPT PAYMENT

"OF BILLS IS AN IMPORTANT FACTOR IN NATIONAL DEFENSE"

④ ** Pay Promptly

FOR DEFENSE BONDS AND STAMPS

Four Ways Patriotic Shoppers Can Help Curtail Waste

YOU CAN ② YOU CAN



BE A THOUGHTFUL SHOPPER

Some folks call it "One-way shopping" . . . a cooperative movement between customers and stores to conserve man power and supplies. Thoughtful one-way shoppers consider carefully before they buy, ask for exchanges or refunds only when necessary, and do so promptly.



TAKE PURCHASES WITH YOU

It is costly, wasteful, for a two-ton truck to deliver a two-ounce package. An item that is to be delivered passes through many hands, whereas one to be taken along is wrapped and handed to the customer. In the interest of conservation, let's take purchases with us when we can.

YOU CAN YOU CAN



STOP SAYING "TAKE IT BACK!"

Volume of C.O.D.'s, approvals, and like "purchases," ordered and on arrival casually refused, exceeds normal imagination. It's so easy to say "Send it out," and so simple to say "Take it back." But it is wasteful when conservation is necessary. Your help will stop this waste.



AVOID SPECIAL DELIVERIES

The service charge for Special Delivery is intended not to cover cost of the service (in fact, it doesn't) but to reduce calls for such delivery and conserve man power, gasoline, and equipment. Let's time our shopping so stores can deliver on regularly scheduled trips.

Credit Granting in the New Day

*Your credit customer today is different from
the one you had yesterday and he is going
to be still different tomorrow.*

A. H. Kindler

Controller, G. M. McKelvey Company
Youngstown, Ohio

CREDIT IS ONE of the most important phases of store operation. Accounts receivable which we encourage and build up usually become the largest liquid asset on our balance sheet. It is subject to circumstances and influences which quite often are beyond the control of the average merchant, and the supposed liquid asset becomes something else.

Research Bureaus show a considerable increase in total consumer credits as compared with 1929, with the most rapid increase being in installment sales. A part of the growth in installment accounts outstanding for the period 1929-1941 is due to lengthening of terms rather than to an increase in the volume of new credits.

A discussion of credit today can be developed from a number of approaches. I shall, however, confine myself only to those aspects affecting the stability of our business and over which we have some control. Consumer credit, as it affects the Victory program, will be controlled by Congress: For example, Regulation W, which has two purposes—one, to control credit and the other to divert purchasing power from products requiring defense material. Further regulation should be expected.

We are all in business to sell as much as we can, with only one major qualification, at a profit. Profit is not realized, however, until cash has been received for our merchandise. Today's picture is similar only in some respects to conditions that we have known in the past. At the time of the last war open charge accounts were used mainly for convenience in payment, and pure credit in the form of financing a consumer was incidental. Since that time many variations of the thirty-day account have come into being which result in actual financial extension to the public. Installment selling as we know it today developed in the 1920's, followed in later years by coupon books and the inclusion of soft goods.

The prosperous days of 1929 were the result of increasing income and an uncurbed buying urge which brought about over-accelerated production and overexpansion. The condition today is not the natural result of supply and demand—not even pump-priming activities; it is government spending, launched suddenly, which touches industry over a wide front. As a result many new customers have been knocking at our doors and many of our pres-

ent customers are getting full-time employment, and more. Cost of living in many cases has not kept pace with income. If we close our eyes entirely to the future we see business activity that is most favorable and a buyer's market turned into a seller's market.

The credit customer today finds himself surrounded by credit practices which were born in the depression period; practices which were designed to loosen money and credit circulation, in order to stimulate business.

There is no profit on a sale until the merchant receives his money. To make sure that he receives this money is a problem tempered by conditions of the day. Since collection is deferred to a future date, conditions which may obtain at that time must also be carefully considered. Especially is this so in our one-industry city. Some special classes of merchants need to watch this even more guardedly than do department stores. Department store business, which is approximately 65 per cent charge, includes about 15 per cent deferred or installment accounts as contrasted with jewelry stores that sell about 30 per cent of their merchandise on payment plans and furniture and appliance stores, with deferred accounts totaling over 45 per cent of their volume.

What then is the merchant's position in the granting of credit today? He should examine credit practices to see which ones originated or were altered during the depression, with the express purpose in mind of stimulating business. Change them again to meet today's economic picture, with an eye to future changes. Not that we should fear those future changes, but merely to have our house in order. Encourage practices which will aid us in preserving stability. Lengthen terms in depression—shorten them at other times. In the same breath, extremes should not be thought of. Canada has recently enacted some credit regulations which have proved too drastic and are being revised. After all, our businesses are dependent on credit and we cannot tear down those things upon which we have built. On the other hand, the mother should not be permitted to destroy the child.

Terms Today and Yesterday

Today's credit granting should discourage overbuying beyond tomorrow's ability to pay. Your credit customer today is different from the one you had yesterday and he is going to be still different tomorrow. We are competing for the customer's dollar. Taxes and Defense Bonds, along with newly awakened wants, are taking their share of the dollar and credit business should not be last. We are approaching a seller's market. Would this not be a good time to exercise better customer selectivity from the standpoint of terms? Is there any reason why we should rush to the customer who is unable or unwilling to meet terms dictated in the light of today and then pass up the other fellow because we do not have the merchandise?

None of us are interested in paying taxes on paper accounts receivable which may be written off at a later time when there will be other losses to absorb our profits. We are not prosperity birds and we want to continue business under all conditions. Others in the past have had the same desire but failed for one reason or another. It is reasonable to assume that a long-range profit-minded, rather than sales-minded, credit policy would have prevented many of those failures.



Skywriting is one of the modern forms of advertising used by businesses to attract attention to their products.

Thousands of credit managers in the United States and Canada have been attracted to FACTBILT Credit Reports — the modern way to get factual information on the applicant before extending credit.

Be as modern in granting credit as the skywriting advertiser! Safeguard your accounts receivable by demanding only FACTBILT Credit Reports.

ASSOCIATED CREDIT BUREAUS OF AMERICA
INCORPORATED

"An Association of Credit Bureaus Since 1906"

1218 OLIVE STREET

SAINT LOUIS, MO.

Group Conferences

. . . Again a Vital Part of Convention Program

The Group Conferences at our annual conventions have always been a real success. They are a vital part of the program because assembled together are the representatives of various types of business for the discussion of mutual problems and the profitable exchange of ideas for the accomplishment of a better job for their firms.

Contributing to the success of these meetings are the Chairmen and Co-Chairmen who give generously of their time and energy in the preparation of a worth-while program and the conduct of the meeting in orderly procedure. Listed below are the names of those members who have accepted the Chairmanship and Co-Chairmanship of this year's Conferences. You can help them, yourself, and other members who attend, by sending immediately to the Chairman of your Group, questions and problems which you wish to have discussed.

What's ahead for credit granters? Come prepared to discuss your problems, exchange ideas, and take part in the most important Group Conference in the history of credit granting. Get the spirit! Make plans Now! You will return home equipped with new life for a hard job ahead.

Group Conference Chairmen

General Chairman—Hubert Fielder, D. H. Holmes Co. Ltd., New Orleans, La.
Co-General Chairman—C. F. Basler, Thomas Kilpatrick & Co., Omaha, Neb.
Co-General Chairman—C. W. Orwig, Commonwealth Trust Co., Pittsburgh, Pa.

Commercial and Industrial Banking

Chairman—Lloyd B. Ferrell, The Southwest National Bank, Wichita, Kan.
Co-Chairman—John J. Mason, Mason Plan, Mobile, Ala.
Co-Chairman—K. F. Blue, Foundation Plan, Inc., New Orleans, La.

BINDERS

for The Credit World

PAMPHLET type with stiff blue fabricoid covered sides and the words "Credit World" lettered in gold. Holds 12 issues. There is an individual wire for each issue, easily inserted. Every member should have a binder for each volume. Price, \$1.35, postpaid. ❖ ❖ ❖ ❖

Order from

NATIONAL RETAIL CREDIT ASSOCIATION
Shell Building St. Louis, Missouri

Department Store

Over \$3,000,000 volume:

Chairman—Walter E. Baab, Stern Brothers, New York, N. Y.

Co-Chairman—W. L. Brian, Joske Bros. Co., San Antonio, Texas.

Co-Chairman—H. G. Orndorff, Lowenstein's, Memphis, Tenn.

Up to \$3,000,000 volume:

Chairman—Louis Selig, Rosenfield's, Baton Rouge, La.

Co-Chairman—Dean Ashby, M. L. Parker Company, Davenport, Iowa.

Home Service

Chairman—J. S. Fletcher, Tennessee Dairies, Inc., Dallas, Texas.

Co-Chairman—Mason B. Koontz, The Flynn Dairy Co., Des Moines, Iowa.

Co-Chairman—J. H. Bergeron, A. M. & J. Solari, Ltd., New Orleans, La.

Hospital

Chairman—L. C. Austin, Menorah Hospital, Kansas City, Mo.

Co-Chairman—Alvah Conner, Medical & Surgical Clinic, Wichita Falls, Texas.

Hotel

Chairman—Tom Lawrence, Jung Hotel, New Orleans, La.

Co-Chairman—Edward Boroff, Hotel Morrison, Chicago, Ill.

Co-Chairman—Ira M. Patton, Tutwiler Hotel, Birmingham, Ala.

Installment and Finance

Chairman—R. M. Severa, R. H. Macy & Co., New York, N. Y.

Co-Chairman—LeRoy N. Dickerson, Wilmington Furniture Co., Wilmington, Del.

Jewelry

Chairman—Alexander S. Kerby, Hardy & Hayes Jewelry Co., Pittsburgh, Pa.

Co-Chairman—L. S. Dickason, Dickason-Girard Jewelry Co., Tyler, Texas.

Men's Wear, Women's Wear and Shoe

Chairman—E. F. Horner, Kline's, St. Louis, Mo.

Co-Chairman—S. L. Weisskerz, The Union Company, Columbus, Ohio.

Co-Chairman—Miss Constance M. Brown, Dobyns Footwear, Long Beach, Calif.

Newspapers, Printers' and Stationers'

Chairman—S. M. Butler, Schenectady Union-Star, Schenectady, N. Y.

Co-Chairman—D. F. Hosford, Miami Daily News, Miami, Fla.

Co-Chairman—L. A. Colwell, E. L. Steck Co., Austin, Texas.

Public Utilities

Chairman—M. L. Hamacher, Michigan Consolidated Gas Co., Detroit, Mich.

Co-Chairman—Gilbert A. Marbach, City Water Board, San Antonio, Texas.

Co-Chairman—H. C. Stroupe, Memphis Light, Gas and Water Division, Memphis, Tenn.

Recent Elections

Boston, Massachusetts

Following are the newly elected officers and directors of the Retail Credit Men's Association of Boston: President, Clarence P. Lewison, Kennedy's; First Vice-President, Albert A. McDonald, Filene's; Second Vice-President, Joseph L. Fowler, Jordan Marsh Co.; and Treasurer, Rowe A. Gladwin. Directors are: Harry A. Hartford, Paine Furniture Co.; E. A. Davenport, Metropolitan Ice Co.; and James A. Mawn, Gulf Oil Corp. Wm. J. Starr is Secretary of the Association.

Salt Lake City, Utah

The Associated Retail Credit Men of Salt Lake City, at their annual meeting on February 17, elected the following officers and directors: President, Kenneth Todd, Mountain States Tel. & Tel. Co.; Vice-President, L. E. Banker, Utah Oil Refining Co.; and Treasurer, Roderick Langton, Salt Lake Tribune & Telegram. Directors: Harold Gloe, Morrison-Merrill & Co.; Fred Pike, Walker Bank & Trust Co.; and Roderick Langton. Harry P. Earl was reappointed Secretary-Manager.

Battle Creek, Michigan

Keene W. Wolfe, Michigan National Bank, was elected President of the Retail Credit Managers Association of Battle Creek at their annual meeting February 11. Other officers and directors elected are: Vice-President, Walter E. Lawrence, Bill Wood's Auto Service; and Secretary-Treasurer, R. W. Matthews, Merchants Credit Bureau. Directors: Wayne B. Wheeler, Montgomery Motor Sales; H. G. Tupper, Jury-Rowe Furniture Co.; Donald Rosebrough, Sears, Roebuck Co.; Dorothy S. Ryason, Jewel Box; Mrs. Lillian Lawrence, Roat's Music Store; Mrs. Hazel D. Briggs, DeNooyer Bros.; and Louis McDowell, Consumers Power Co.

Oshkosh, Wisconsin

Officers and Chairmen of various committees of the Oshkosh Credit Club for the ensuing year are: President, Wilbur F. Peterson, Walk-Over Shoe Store; Vice-President, Ed. Iwick, Guernsey Dairy Co.; Secretary, Val Bloechl, Chamber of Commerce; and Treasurer, Eric Baller, Spoo & Son. Committees: Membership, Leighton Hough, First National Bank; Legislative, J. F. Heuel, Henderson-Hoyt Co.; Finance, Eric Baller; Publicity, Harry Hollenbeck, The Wardrobe; Program, H. Polzin, Commercial Collection Agency; and Attendance, Val Bloechl.

Cedar Rapids, Iowa

Officers and directors of the Cedar Rapids Retail Credit Association for 1942 are: President, Richard Miller, Killian Co.; Vice-President, Pearle Hinkley, H. N. Craemer Co.; Treasurer, Frank Mekota, The Peoples Savings Bank; and Secretary, R. E. Walker, Cedar Rapids Retail Credit Assn. Directors: W. C. Carpenter, Money Corp.; Fred Fluegel, Iowa Adjustment & Cr. Bureau; R. A. Koehn, Iowa Electric L. & P. Co.; W. A. Koster, Newman Mercantile Co.; Carlos Miller, King's Crown Plaster Co.; H. H. Morse, Armstrong Clo. Co.; and Stanley Mohrbacher, Merchants National Bank.

BAROMETER of Retail BUSINESS

Sales and Collection Trends

March, 1942, vs. March, 1941

Compiled by Research Division, National Retail Credit Association

Arthur H. Hert, Research Director

CREDIT SALES increased 9.2 per cent during March; total sales 13.1 per cent; and collections 3.3 per cent, in the United States and Canada, as compared with March, 1941. *The increases in credit sales during March were attributed to Easter buying. Total sales continue to improve monthly due to more money put in circulation through defense industry work.*

Highlights of the monthly analysis are shown in the tables below:

Highlights for March

- 40 Cities reporting.
- 15,157 Retail stores represented.

COLLECTIONS

- 31 Cities reported increases.
- 3.3% Was the average increase for all cities.
- 29.9% Was the greatest increase (Dayton, Ohio).
- 4 Cities reported no change.
- 5 Cities reported decreases.
- 8.0% Was the greatest decrease (Cedar Rapids, Ia.).

CREDIT SALES

- 33 Cities reported increases.
- 9.2% Was the average increase for all cities.
- 52.3% Was the greatest increase (Dayton, Ohio).
- 1 City reported no change (Mount Clemens, Mich.).
- 6 Cities reported decreases.
- 15.0% Was the greatest decrease (Jacksonville, Fla.).

TOTAL SALES

- 36 Cities reported increases.
- 13.1% Was the average increase for all cities.
- 60.0% Was the greatest increase (Dayton, Ohio).
- 4 Cities reported decreases.
- 10.0% Was the greatest decrease (Jacksonville, Fla., and Gallup, N. M.).



"We certainly enjoyed the talk by Mr. J. Gordon Dakins at the recent Membership Meeting of the Wichita Retail Credit Association. The officers of the wholesale credit men who were invited to be present considered the evening most profitably spent. We compliment you on having such a capable man on your staff."—B. J. Weldon, President, The Wichita Association of Credit Men, Wichita, Kansas.

"Thank you for sending me a copy of what I consider an 'English translation' of Regulation W. Your Association has certainly done a splendid piece of work and I know it will be appreciated by everyone subject to the Regulation."—Myron R. Bone, Executive Secretary, American Industrial Bankers Association, Fort Wayne, Ind.

"I am perhaps the youngest owner and manager of a collection agency in the United States. I started from scratch two months ago and I have maintained the same volume and degree of net profit. I wish to state that The CREDIT WORLD has helped considerably."—J. M. O'Laughlin, Superintendent of Claims, Crawford County Adjustment and Claim Bureau, Meadville, Pa.

"We heard Mr. Dakins, the new Educational Director, address the Sixth District Conference at St. Paul. He has a clear, clean-cut delivery, makes

his points emphatically, and his addresses contained real meat."—Max Meyer, General Manager, Nebraska Credit Co., Lincoln, Neb.

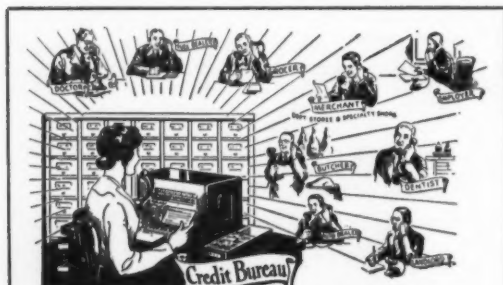
"I did not receive the January issue of The CREDIT WORLD and would appreciate your sending me a copy. I have found this magazine very interesting and helpful with its many ideas. Having heard a great deal of favorable comment on this particular number, I don't want to miss anything!"—Mrs. Maude Wilkinson, Credit Manager, The Willson-Chase Co., St. Petersburg, Fla.

"Your new All American Sticker is really what is badly needed in bringing to the attention of some of our easygoing Americans the, now more than ever before, importance of paying their bills promptly."—W. E. Greenwood, Director of Accounts, Dey Brothers & Company, Syracuse, N. Y.

"From only one insertion in our Bulletin we have already received 175 orders for the booklet 'Regulation W and Interpretations Simplified' just published by the National Office. This early response indicates the timeliness and need for such a guide to the Regulation. It is indeed a credit to your office."—Walter Rosenbaum, Secretary-Manager, The Credit Bureau, Inc., Pittsburgh, Pa.

"Please send us 20,000 All American Stickers. They are proving quite popular among our members and the recent issue of The CREDIT WORLD which carried them in color has attracted favorable interest."—M. G. Riley, Secretary-Treasurer, Retail Credit Association, Kansas City, Mo.

"Congratulations to you and Mr. Hert on the March issue of The CREDIT WORLD. It is unusually interesting and I should like to send it to about 30 of our largest users of service. It would be much more effective than any sales talk of mine for the N.R.C.A."—Miss Jo Tarpey, Secretary, Gary Credit Bureau, Gary, Indiana.



We have YOUR NAME in this "Who's Who"

As a member of the Credit Bureau we are called upon to report, at frequent intervals, the credit standing of our customers. This report is available to every merchant or professional man who is a member of the Credit Bureau.

Your account with us at the present time is PAST DUE. To maintain a good credit record, you should make a payment NOW or arrange for an early settlement.

Customer's Name

Firm Owed

Balance \$..... Past Due \$.....

Date

Guard Your Credit as a Sacred Trust

Defend Your Accounts

against the stigma of a poor credit record and add to the efficiency of your Credit Department by using the new Collection Insert shown here. Prepared at the urgent request of our members, it has a definite tie-in with the credit bureau. Not only does it collect, but it is an effective means of educating customers to pay bills promptly.

This is another success number in our series of Collection Helps. The size is 3 inches by 5½ inches and it is printed in bronze blue ink on ivory enameled stock. Only \$2.00 per thousand.

Order from

NATIONAL RETAIL CREDIT ASSOCIATION

Shell Building

St. Louis, Mo.

Meetings
ELECTIONS

NEWS ITEMS

Personal and
OTHERWISE

Coming District Meetings

District One (Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, Vermont and Quebec, Canada) will meet May 11, 12, 1942, at the New Ocean House, Swampscott, Mass.

District Eight (Texas) will meet May 17, 18 and 19, 1942, at the Rice Hotel, Houston, Texas.

District Ten (Alaska, Idaho, Montana, Oregon, Washington, Alberta, British Columbia and Saskatchewan, Canada) will meet May 18 and 19, 1942, Seattle, Washington.

New Local Association in Chattanooga

Consumer Credit Association is the name of the newly organized Local Unit in Chattanooga, Tennessee. Although a real membership campaign has not yet been started, there are now 53 members of the Association. From reports received, a most interesting and informative meeting was held February 18 at which a local attorney discussed the Soldiers' and Sailors' Relief Act of 1940. Officers and directors for the ensuing year are: President, John S. Wright, Electric Power Board of Chattanooga; First Vice-President, Walter E. Beacham, The Vogue; Second Vice-President, Miss Stella Murphy, Citizens Savings & Loan Corp.; Treasurer, Miss Marguerite Brock, Elesay Jewelry Co.; and Secretary, George W. Lundy, Retail Credit Men's Association. Directors: Roy P. Alley, Sears Roebuck & Co.; Raymond Wallace, Chattanooga Gas Co.; Mrs. Grace Yarnell, Davidson Clothing Co.; Walter E. Haase, Sterchi Brothers; and Mrs. Gladys Dean Sloan, Loveman's, Inc.

William Schick

William Schick, Treasurer and Credit Manager, Luckey, Platt & Co., Poughkeepsie, New York, died February 18, 1942. He had been associated with the firm of Luckey, Platt & Company since 1897, starting as a bookkeeper and later becoming office manager and credit manager for the store. In January, 1921, he was elected Treasurer. Mr. Schick was always active in local credit affairs and a regular attendant at National Conventions.

Fred Goldsmith, Sr.

Fred Goldsmith, Sr., President of J. Goldsmith & Sons Co., Memphis, Tennessee, died recently, after a long illness. As a tribute to Mr. Goldsmith no Memphis store advertised in the Memphis newspapers on the day of his funeral. Burial was in Congregation of Children of Israel Cemetery.

Crooks—Watch Out!

"No Bargains in Crime" was the title of a splendid two-thirds page article by Gordon W. Gray appearing in the magazine section of the CLEVELAND PLAIN DEALER, February 1, 1942. It told about the work of the Protective Division of the Retail Merchants Board, Cleveland Chamber of Commerce, Cleveland, Ohio, of which Mr. Gray is the Manager.

James Brice in New Promotion

James Brice, formerly Personnel Director of Sibley, Lindsay & Curr Co., Rochester, New York, has been appointed to the newly created post of Sales Director of that firm.

Your Cooperation—Please!

Have you overlooked sending copies of your credit and collection letters and forms for the convention exhibit? Please send them today—as your Convention Committee on collection letters and forms is doing everything to make this an outstanding educational exhibit. Mail them to George J. Springer, Director-Chairman Letters and Forms Committee, Katz & Besthoff, Ltd., New Orleans, La.

District Ten to Meet at Seattle

The 22nd annual retail credit conference of the Pacific Northwest will be held May 18 and 19 at Seattle, Washington, with headquarters at the Olympic Hotel. Dedicated to a serious consideration of the many vital emergency problems facing credit men, group conferences will have a prominent part in the program. Outstanding speakers on the program are Governor Arthur B. Langlie of the State of Washington and David D. Bolen, President of the National Retail Credit Association.

Positions Wanted

ACCOUNTANT OR CREDIT MANAGER: Sixteen years' experience. A-1 references as to ability and experience. Will consider position as assistant. Address Box 51, CREDIT WORLD.

SINGLE, 38. Draft exempt. Twenty years' legal, collection and credit experience. University graduate. Now in California, handling accounts for finance company for western states. Will consider employment in similar capacity in Middle West with progressive organization. References. Box 52, CREDIT WORLD.

CREDIT-COLLECTION EXECUTIVE: Married, 42 years old. Law and Administration graduate. Consider assistant in key departments. Native executive ability. Reliable. Address Box 53, CREDIT WORLD.

Retail Credit Trends . . .

O. M. Prentice

Manager of Credit Sales, David Spencer, Ltd.
Victoria, B. C., Canada

THE DEFINITION of a trend is "to go in a particular direction." However, we must remember that "a particular direction" can be changed or even reversed at times. A trend, therefore, should start from somewhere in particular and, for our purpose, move through and toward another point or points.

It wasn't so very long ago when the privilege of credit was available to only a few. To be able to use credit one had to be quite well-to-do, or nearly wealthy. The owner of a business extended credit in those days, and usually to only a very few well known customers who, without doubt, were possessed of a fair amount of wealth.

Competition With Growth of Business

As business increased there grew a greater competition and, also, a need and desire to increase sales. For business to be efficient, sales had to be maintained and increased in proportion to the growing buying power of the average customer. On analysis it was found, for the average store, the most profitable customer was neither the person of wealth nor the marginal buyer, but that average customer who is so much like you and me.

Here then is our first trend, that which made credit available to the average customer. It is reported that in 1912 thirteen per cent of total retail volume was produced by credit sales. In 1920 this had increased to 20 per cent and now 35 to 40 per cent of all retail sales are made through the use of credit.

In those few figures what a wonderful and far-reaching change is mirrored. This trend started the need for real credit executives who were competent to handle this phase of business, and also required the building up of a specialized department with trained workers. As the new credit executives developed and studied their jobs, they foresaw that the credit business of the future held great possibilities if this new business force was guided with wisdom. Thus was produced the next great trend, that of cooperation.

As merchants we can compete in merchandise and service, but for each of us, to be successful in credit granting there must be a real and wholehearted cooperation. We must realize it is absolutely necessary in credit granting that we work together, pool our knowledge and resources, and see that the customer is made to realize and know we can't be worked against each other.

With increased cooperation among credit executives and with greater experience and knowledge it was found safe to broaden the basis of granting credit further. This trend brought into being the budget account, the issuing of limited credit to those in the lower income brackets, and an increased use

of the installment account in the selling of hard merchandise.

Credit as an aid to selling had found a permanent place in retail business. Credit men and women had become sales-minded. There were the voices, however, who pointed out, and with reason, that though we must be sales-minded, it is also necessary that we protect a large part of our firms' assets. Also, nearly anyone could see if the proposition was attractive enough, it would take a real salesman to keep the good will of the customer and to secure ultimate payment of the account within the terms arranged.

Just as a car going at too high a rate of speed is difficult to control, so this trend of credit developed another trend in which were the seeds of danger, and, if let run wild, destruction.

The sales managers, merchandise managers and business owners, in many instances, began to think in terms of volume only and not in terms of profit. Volume and more volume became the predominant thought and there developed the trend of using credit as a competitive device. The sales manager stopped worrying as soon as the sale was made, for why should he worry further? He had secured the volume desired and the risk was in the credit department. In fact, many forgot the real basis of merchandising success, which was and is, quality, service and value, and began to try to use only credit terms to secure sales.

From One Trend to Another

We are all familiar with "nothing down," "pay when you find it convenient," "state your own terms," "your credit is good here," and other catch slogans too numerous to mention. Each merchant felt he should go one better than his fellow merchant in offering the buying public something for nothing.

The morale of the credit customer and of the cash customer was being affected and certainly the prestige of credit was being undermined. The less desirable type of customer was encouraged and made to think credit was a right, that anything he required or wanted should be available on any terms desired.

All during this trend the real credit executives endeavored to make their voices heard and pointed out how ruinous this kind of credit selling could be. Fortunately, many merchants, and among them the most successful, saw where this type of selling would ultimately lead and they held to reasonable practices and continued to sell merchandise instead of credit. They knew and remembered no sale was completed until the account had been paid in full. This trend had been some-



what dampened out before the next and present trend developed.

Before we consider this last and present trend, there was another which developed somewhat before the terms trend. This was the trend toward "Community Credit Policy." A few years ago we heard a great deal of all the aspects of Community Credit Policies and they were established with great success in many progressive communities. We should even now be giving a great deal of thought to the future of the Community Credit Policy for here we may have one credit answer to the after-war period.

The last general trend is government control of credit. The government has now given us a real community credit policy. All in all the government is making us do only what we have always had our customers agree to do. (The only point of difference being the larger down payment required on installment sales.) It is the duty of every credit man and woman to do all in their power to keep this government order to the best of their ability both as to the letter and also as to the spirit. We must always keep in mind that each of these broad trends has made and left a new factor in our credit structure.

Before we glance into the future let us consider that other great aspect of retail credit work which failed to consider credit workers, for no matter how wonderful a system you have it ultimately comes down to the men and women who run it and they make the job a success or a failure.

As credit workers we have a great responsibility. This responsibility is to our employer, to our customers, to our fellow employees and finally to our fellow credit executives. Each of us has a vital social responsibility and must endeavor to discharge it efficiently, keeping in balance the interests of the store and of the store's customers. The credit worker should assist customers with their problems, putting himself in the customer's place and then attempting to work out things as he would for himself. Don't try to overload the buyer, be fair, but also be just and in fairness you should see that your store is not imposed on. To be weak is not to be just.

Each of us should use every opportunity to organize and assist in developing credit courses in our own communities. The material available from our National Association is of the best, and every credit worker should be sure to take all the credit courses. All credit executives should study these courses and give of their best in lecturing to these Credit Schools and at the same time see that their own assistants benefit by taking the courses.

Read *The CREDIT WORLD* and pass it along to your assistants to read. There are many worth-while ideas to be found in every issue. We should also endeavor to acquire some knowledge of economics and particularly of business trends.

As the individual is so important we should also ask ourselves: "What do I read?" Don't become narrow and

think only of your own business. By broadening your reading you will broaden yourself and find that you have acquired knowledge that will also help you in your daily work and especially in your contact with people.

Now, to look into the future, when we and our allies shall have attained victory. First, there will be a tremendous potential buying power which has accrued because of wear and tear. Think of the cars which will be worn out, the furniture, rugs and furnishings which will need replacing, not to mention clothes and sundries. There will be a need for a considerable amount of installment credit and this purchasing power which will probably be released by sensible and sane credit will assist in taking up the slack caused by the ending of war production. I believe a great many war savings certificates and bonds now being bought will be used as down payments

and help to carry this kind of contract.

Also, we can be fairly sure there will be some progressive reduction in taxation, probably small at first, but which will help cover larger current purchases and monthly payments. Further, there will be no need to save, so all in all the average customer will have a lot more to spend.

The government will, after the war, want to see business increase because jobs must be found for those returning from the services to civilian life and we must be sure this

time there is no "post-war" depression.

Of course, there will be a higher national debt and high taxation for years, but the government will no doubt try to throw as much purchasing power as possible into consumer buying at the earliest possible moment. There will be a continuation of government control, but as business shows a willingness and ability to handle its own affairs such controls will be lessened.

Part of our military forces will have to be maintained for some time so there will probably be a slower demobilization after this war which will make civil re-establishment of those in the forces less difficult.

Try at times to think now in the terms of what you consider the future will be. What will be our future income and what expenses will there be against this? Also, and this is most important, what will be the future mentality of our customers?

I believe the old ideas of morality and fair dealing will still hold good and have as great an application in the future as they have had in the past. It will still be honorable to pay debts and for a promise to be kept. We, as individuals, can help in this and should be budget and financial advisers to our customers. We can help them by pointing out the advantages of living within one's income.

As to trends in general, we should attempt to understand the forces in back of economic movements and the business cycle. New factors that may cause changes differing from those in the past should be considered. For our own business we should watch these trends:

Next Month

"The Outlook for Business Under Today's Planned Economy," Dr. John F. Sly, Princeton University, Princeton

"Retail Credit Policy for 1942," Carl N. Schmalz, R. H. Stearns Co., Boston

"Enforcing Claims Under the Soldiers' and Sailors' Relief Act," H. L. McClintock, University of Minnesota, Minneapolis

"A Streamlined Method of Handling Accounts Receivable," W. J. Tate, Bryson Graham Co. Ltd., Ottawa

"What Have You in Your Wheelbarrow?" Lorraine Boone, President, Dixie Council, Credit Women's Breakfast Clubs, Nashville

Increase of sales for your community and your city and district, if possible. Bank clearings are an indication with bank debits being an even more accurate gauge.

How is employment in general and in your community in particular?

How are prices? Is the national income decreasing or increasing?

Are your sales moving in the right direction and are they doing as well as or better than the general averages indicate? Are they as good as they should be for your city and is your store gaining or losing its local position?

How are your collection percentages? Are they better or worse than the averages and can you tell why?

Are you writing off too much in bad debts and do you analyze why each account became a bad debt?

Do you record your declined accounts and are they increasing or decreasing in proportion to your sales?

Are your expenses of operation in line with good practice and can they be decreased and efficiency still maintained?

What do you consider to be the future of your own business, of your city, of your province, of your country?

Let's All Do Our Part

It is good to stretch our minds a little at times. Growth is conditioned by what has happened in the past and the factors influencing the present. Such growth will determine the trends of the future. It is our privilege to help guide the trends of the future by each doing our part and doing it well. We are now gaining experience; let us be sure to make good use of it in the future.

As one author puts it, "This business of credit granting requires the knowledge of the accountant, the analytical qualities of the statistician and the wisdom of Solomon." This is a pretty tall specification to live up to, but it is said, "Aim high and you may hit the stars."

My last thought, which has application to everyone, is that we must remember always that our right to exist is in producing something which is of value to all and which can be a service.

**Keep our wings above the enemy.
Buy War Savings Bonds and
Stamps for Victory.**



Regulation W and Interpretations Simplified

ON THE LEFT is a reproduction of a 100-page booklet just published by the National Office covering every phase of the regulation in easy-to-understand language. Convenient pocket size, it contains a "Guide to Selling," a "Guide to Lending," and for the first time consolidates Regulation W with its three amendments. A complete reference index provides immediate access to any fact. Price to members 25c (to nonmembers, 50c). Special prices in quantities of 100 or more.

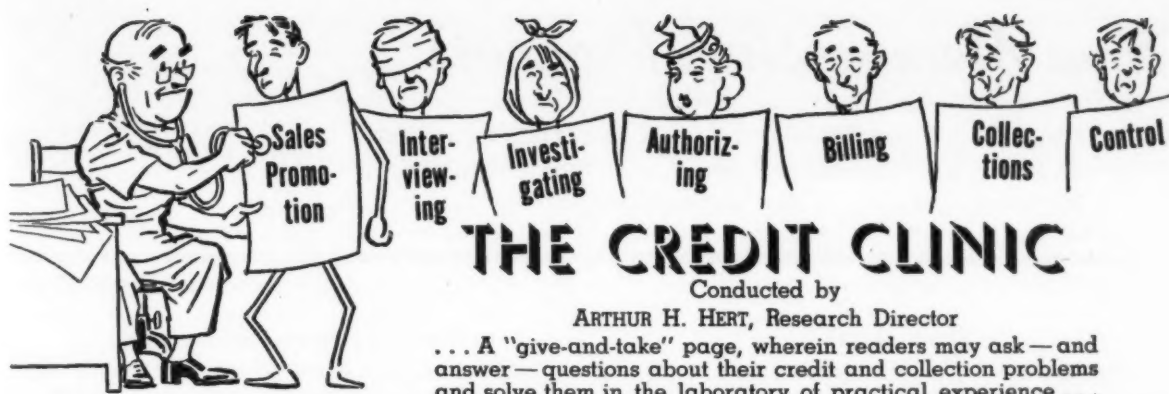
NATIONAL RETAIL CREDIT ASSOCIATION
Shell Building St. Louis, Mo.

The Book Shelf

Retail Credit (Prentice-Hall, Inc., 70 Fifth Avenue, New York, 645 pages, \$5.35)—A new addition to the growing list of texts on the subject of retail credit. Written by N. A. Brisco, Ph.D., Dean, New York University School of Retailing, author of many other equally valuable texts on retailing, and Rudolph M. Severa, LL.B., Manager of Cash-Times Sales, R. H. Macy & Co., Inc., New York City, it covers every phase of credit granting from start to finish. Contained in an appendix are such recent laws as Federal Regulation of Consumer Credit and the Soldiers' and Sailors' Relief Act of 1940. Printed in easy-to-read type, it contains illustrations of credit department and credit bureau forms and systems. The credit granter, credit executive and the student of retail credit will each greatly profit by studying and reading this up-to-date book.



Retail Trade (Census of Business: 1939)—An analysis by city-size groups of the data previously published as a part of the Retail Census of 1939. Other subjects covered are types of operation, retail employment, credit sales and receivables, sales by commodities, legal forms of organization, and analysis by sales size. In it is a summary for the United States of all retail stores, sales proprietors, employees and pay roll, by city-size groups, followed by the same data in percentage form. Available from the Superintendent of Documents, Washington, D. C., for ten cents.



Losses and Other Data in Men's Wear Stores

A REQUEST WAS RECEIVED that we make an analysis for a men's wear store, in which the following items would be considered:

1. What is your percentage of net losses from bad debts to credit sales?
2. What bad debt reserve do you set up for credit sales?
3. To arrive at net loss from bad debts, do you deduct recoveries from total charge off?

We asked 42 members for this information and below is a summary of the replies received. In commenting about his firm's losses, one member stated:

"Our bad debt losses are just a little over one-half of one per cent. Our bad debt reserve, set up each month, is one per cent of our sales. We have been doing this for several years in order to build up a reserve for bad debts. In most accounting circles it is considered good business, in times like these, to set aside part of the profits to help build up a large reserve for bad debts, for the time when a large reserve is needed. There is

no stated figure of ratio between the size of the reserve and amount of outstanding accounts receivable; however, it is advisable to keep it as high as possible. Some accountants figure that a 15 per cent reserve against receivables is sufficient, others figure that in times like this reserve should be 20 to 25 per cent of receivables.

What's Your Problem?

You are invited to make this page your page — for the solution of any problems of credit practice or procedure which may confront you.

Or if you have a special problem on which you wish private information, our Research Division will gladly make a special "confidential" study for you, obtaining the desired information from reliable sources.

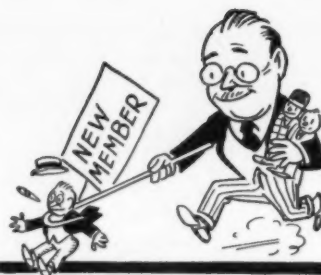
During the last depression a great many stores got caught with bad debts that were very heavy and their reserves were not large enough to handle them. To arrive at net loss of bad debts the recoveries are deducted from the total charge off to get the net loss on bad debts."

	Per Cent of Net Losses From Bad Debts to Credit Sales	Per Cent of Bad Debt Reserve for Credit Sales	Deduct Recoveries
Atlanta, Ga.	.42	1.00	No
Boston, Mass.	.50	1.50	Yes
Cleveland, Ohio	.40	None	No
Dallas, Texas	.56	*	Yes
Dallas, Texas	.50	*	Yes
Denver, Colo.	.51	1.00	Yes
Des Moines, Ia.	.42	1.00	Yes
Des Moines, Ia.	.59	1.00	Yes
Lincoln, Neb.	.72	.70	Yes
Louisville, Ky.	1.48	*	Yes
Louisville, Ky.	1.22	1.50	Yes
Memphis, Tenn.	.50	.50	No
Minneapolis, Minn.	.04	1.00	Yes
New Orleans, La.	.06	1.50	Yes
San Francisco, Calif.	.18	1.00	Yes
St. Louis, Mo.	.70	1.00	No
Tulsa, Okla.	.31	.60	Yes
Washington, D. C.	.75	None	Yes

*Not on reserve system.

New Membership Progress

Deadline for New Members . . . Cash prizes . . . New Members for President Bolen . . . 25,000 Club . . . Membership Blank . . . New National Members by Cities . . .



Get a New Member

Our Goal

We are in the home stretch! New members, to be included in this year's results, must be postmarked not later than May 31. In order to qualify as a member of the "25,000 Club," be sure to send in three members this month.

As a tribute to President Bolen, we should like to be able to report to him 1,000 members this month. *Will you do your part?*

The following cash prizes of \$25.00 each are to be awarded at New Orleans for membership work:

1. To the local chairman in a city of under 50,000 population reporting the greatest number of new members.
2. To the local chairman in a city of 50,000 to 100,000 reporting the greatest number of new members.
3. To the local chairman in a city of 100,000 to 500,000 reporting the greatest number of new members.
4. To the local chairman in a city of over 500,000 reporting the greatest number of new members.
5. To the State Chairman reporting the greatest number of new members.
6. To the Bureau Manager making the best membership showing.
7. To the Credit Manager making the best membership showing.

Membership material will be sent on request and the National Office will assist you in your efforts.

Good luck!

Membership Blank

National Retail Credit Association
Shell Building, St. Louis, Mo.

I hereby apply for one year's membership in your Association, subject to acceptance by you and by your recognized unit in this locality. I enclose \$5.00 which I understand entitles me to all the privileges of membership, including a year's subscription to "The Credit World."

Name

Title

Firm

Business

Address

City State

Recommended By

CREDIT WORLD 34 MAY

New National Members

The lead cities in our annual membership campaign are again Wichita, Pittsburgh, New York City and Philadelphia. Local Units reporting ten or more new members from the period of June 1, 1941 to April 30, 1942 are:

*Wichita, Kan.	175
Pittsburgh, Pa.	114
New York City	82
*Philadelphia, Pa.	63
St. Louis, Mo.	49
Tacoma, Wash.	47
Portland, Ore.	44
Oakland, Calif.	36
*Troy, N. Y.	33
*Waterloo, Ia.	30
Spokane, Wash.	29
Washington, D. C.	28
*Peoria, Ill.	27
Albuquerque, N. M.	27
Los Angeles, Calif.	25
San Francisco, Calif.	25
Denver, Colo.	25
Des Moines, Ia.	24
Nashville, Tenn.	22
Houston, Tex.	22
Kansas City, Mo.	21
Springfield, Mass.	20
Memphis, Tenn.	19
*Columbus, Ga.	18
New Orleans, La.	18
Baltimore, Md.	18
Providence, R. I.	18
Butte, Mont.	17
*Nyack, N. Y.	17
Bremerton, Wash.	17
Milwaukee, Wis.	16
Lincoln, Neb.	13
Phoenix, Ariz.	12
Chattanooga, Tenn.	11
Atlanta, Ga.	11
Knoxville, Tenn.	11
*Ames, Ia.	10

*New National Units

New Members by Districts

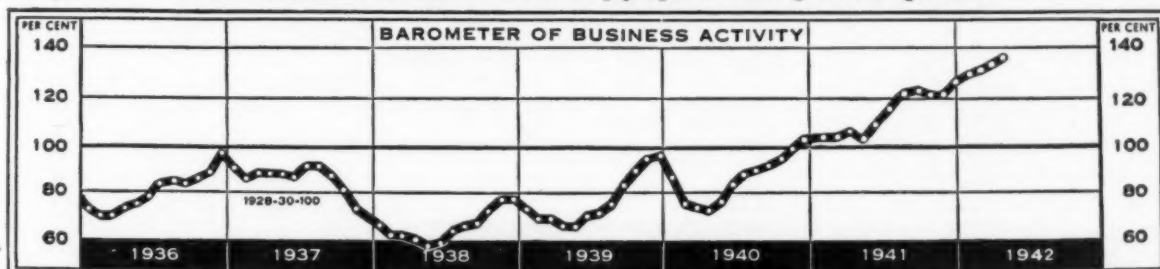
7	289
12	263
10	212
2	156
11	125
4	116
6	105
13	80
9	65
1	63
8	52
3	48
5	39
Total	1,513

**GET 3 MEMBERS . . . DON'T DELAY
JOIN THE "25,000 CLUB" TODAY!**

CURRENT BUSINESS CONDITIONS

The Barometer

Reflecting the stepping up of the conversion process of nondefense industries to war production, the Barometer chart line continued to move sharply upward during the first quarter.



This barometer appears in the May issue of "Nation's Business," published by the United States Chamber of Commerce.

The Map

In all parts of the country the volume of business transactions continues to increase. The general average of business activity, including retail trade and industrial production, is in every section considerably above even the high level of a year ago. The slowing down in some civilian industries has, in most places, been more than offset by greater employment in industries making war supplies.

The gains over last year have become greatest in the West and Northwest. In the East and parts of the South, the volume of trade and industry is much nearer the rate which prevailed there a year ago. The spread between the rates of business activity, this year, and the corresponding month last year, is likely to become somewhat less during the summer.

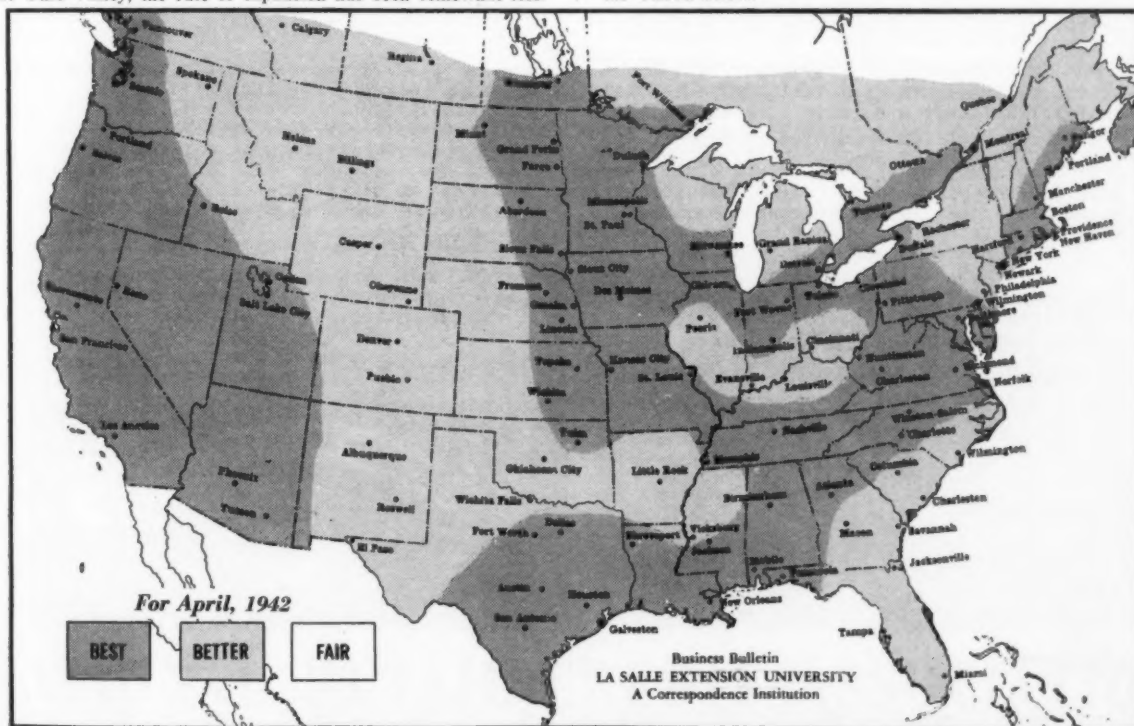
Throughout the industrial regions of the East and around the Great Lakes, production is still showing increases greater than the national average. In districts less directly affected by war industries such as in parts of New England and New York, and the Ohio Valley, the rate of expansion has been somewhat less.

Similar differences are reported throughout the South. In the industrial regions conditions are unusually favorable. In other districts, especially in the extreme Southeast, the expansion in trade has been only about average.

Conditions have become more favorable in the agricultural regions of the Middle West, especially in the North Central and Southern parts. Farm income is higher, and an increased number of war industries are being put into operation throughout that part of the country.

Industries along the West Coast have continued to increase their output, and the larger pay rolls have resulted in much greater volume of consumer buying. In the Mountain States the increasing activity in mining has stimulated trade, although not quite so much as the gain in other parts of the country.

The trend of business in Canada is also significantly upward, but the percentage gain over last year is slightly less than in the United States.



PLAN NOW TO ATTEND THIS IMPORTANT OPEN FORUM



BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON

RONALD RANSOM
MEMBER OF THE BOARD

March 30, 1942

Mr. L. S. Crowder,
General Manager-Treasurer,
National Retail Credit Association,
St. Louis, Missouri.

My dear Mr. Crowder:

In the formulation of and the subsequent amendments to Regulation W which deals with instalment credit and was issued in compliance with the President's Executive Order, the Board of Governors of the Federal Reserve System has adhered as closely as possible to the practice of consulting with representatives of all groups affected by this part of the Government's program to combat price inflation.

It is altogether appropriate that the 30th Annual Conference and Credit Sales Forum, to be held at New Orleans next June, has arranged to include in its program a general discussion of the purposes of and problems involved in regulating consumer credit. In particular, the open forum arranged for the afternoon of June 17 from two to five should be especially instructive and helpful from the standpoint of those who have the responsibility for making Regulation W effective. It is to be hoped that there will be a representative attendance at this open forum by the membership of the National Retail Credit Association and that those who plan to be present will be prepared to discuss and to make suggestions for improving the Regulation from the standpoint of effectiveness and workability.

It is a source of gratification that there has been widespread public understanding of the necessity for regulation in this field as an essential supplementary part of the anti-inflationary program. In general, the public apparently recognizes, first, that civilian supply, particularly of durable goods, using materials urgently required in the war effort, must be increasingly and severely curtailed in order to achieve maximum production of planes, tanks, ships, and other weapons of war; and, secondly, that the Government's program of taxing and borrowing, one objective of which is to divert the rising tide of national income from the diminishing supply of civilian goods and thus prevent prices from being rapidly bid up, cannot be made effective unless purchases on credit are also curbed.

The spirit with which great national organizations, such as the National Retail Credit Association, have accepted Regulation W and have cooperated in its development and enforcement has contributed greatly to this general understanding. I am confident that the open forum discussion on June 17 will contribute further to understanding of the national objectives and help all concerned to deal more intelligently with the innumerable practical problems inherent in any regulatory program covering so large a field as that embraced within the boundaries of consumer credit.

Sincerely,

Ronald Ransom



All American

STICKER

An up-to-the-minute reminder for prompt payment of bills. Shown actual size. Printed in red and blue on white gummed paper. One-half million have been sold since announced in the March CREDIT WORLD.

Only \$2⁰⁰ a thousand



**** OF BILLS IS AN IMPORTANT FACTOR IN NATIONAL DEFENSE**

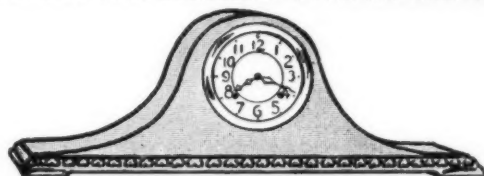
★ ★ Pay Promptly



INSERTS

Speed up your collections by using these Victory Inserts. A stimulator for prompt payment of bills with a national defense tie-in. Try them, you'll be pleased with the results! Below are actual size and color reproductions.

Only \$2⁰⁰ a thousand



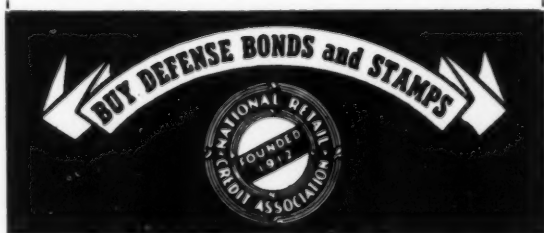
Unforgiving Minutes!

America's whole war effort is a race against time—time to make tanks, ships, planes and guns—time to train men.

In this race, every cooperative effort plays a vital part. As a loyal American, you can help by paying your bills promptly.

Waste no time! Make it a habit to pay all bills promptly—BY THE TENTH or as agreed. ★

VICTORY WON'T WAIT FOR A NATION THAT'S LATE!



Let's All Do Our Part!

The credit granters of America have volunteered "for the duration." To do their job with the speed and efficiency demanded of everyone in a nation at war, they need the support of every customer.

Pay your bills promptly and help the credit granters of America to assist our government. You thereby eliminate unnecessary work—help to conserve paper—and release capital and man power for the war effort.

Aid our fighting forces through all out cooperation in conservation and sacrifice. Wars, today, are won on the home front as well as on the battlefield.



PROMPT PAYMENT OF BILLS IS AN IMPORTANT FACTOR IN NATIONAL DEFENSE



NATIONAL RETAIL CREDIT ASSOCIATION

SHELL BUILDING

ST. LOUIS, MO.

ATTENTION
MAKE RESERVATIONS NOW
30th ANNUAL CONFERENCE
AND
CREDIT SALES FORUM
OF THE
NATIONAL RETAIL
CREDIT ASSOCIATION



(CONFERENCE DATES JUNE 15-18)

AT HEADQUARTERS HOTEL
IN
NEW ORLEANS

WRITE OR WIRE
FAY M. THOMAS, MANAGER
HOTEL ROOSEVELT
NEW ORLEANS, LOUISIANA

